

## NASA Is Delighted By 'Dull' Mission

### Shuttle's Successful Test Sets Stage For Routine, Commercial Space Flight

By Lee Dembart  
Los Angeles Times Service  
HOUSTON — When the space shuttle Columbia touched down today in California's Mojave Desert, it successfully completed the first test of the most sophisticated vehicle ever built: a combination launch vehicle, spacecraft and airplane that is reusable.

The shuttle system will enable the United States to treat space as a resource, to launch, maintain and repair satellites, space factories and space stations.

Twenty-one years after man first flew into space, he is now poised to take advantage of that accomplishment. And, if the fourth test flight of the shuttle seemed a trifle dull

at times, that is just what the space agency had hoped for. NASA, the National Aeronautics and Space Administration, expects the shuttle to make flying into space almost as routine as flying across the ocean.

Although the \$4-billion shuttle program was held up by development problems for two years, the craft has surpassed its designers' expectations since it began flying 15 months ago.

"Speaking for the orbiter project, it has been a complete success," said Aaron Cohen, the project manager.

This spacecraft can probably absorb more battle damage, more system failures than anything we have ever flown," said Eugene F. Kranz, NASA's deputy director of flight operations.

In its four test flights, the Columbia logged more than 9 million miles (14.4 million kilometers) while making 314 orbits of the Earth. The latest flight was marred only by the loss of the two, \$25-million booster rockets, which sank in the Atlantic Ocean after liftoff.

With the shuttle program now firmly established, NASA is left without a new project. Despite intense lobbying by the space agency for a national commitment to build a permanent, orbiting space station, President Reagan has so far refused to go along. In welcoming the returning astronauts Sunday, he committed the United States only to "establishing a more permanent presence in space."

For the space agency, which has known virtually nothing but success since the Mercury program began more than two decades ago, the shuttle's engineering achievements must now be matched by commercial and marketing efforts to fly on government payloads.

Under the current plan, one-third of shuttle flights will be for civilian cargoes, one-third for military cargoes and one-third for paying commercial cargoes, for which there is stiff competition from the French Ariane rocket.

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CONFIDENT STRIDE — Mexico's next president, Miguel de la Madrid Hurtado, walking with his wife in Mexico City after they voted in the national elections. Page 2.

## Beirut Fighting Is Renewed As Israel Tightens Its Siege

By Thomas L. Friedman  
New York Times Service

BEIRUT — Israeli gunboats and artillery pounded Palestinian camps and residential neighborhoods of West Beirut on Monday while Israeli ground troops continued their blockade, creating serious shortages of food, gasoline and some medical supplies.

"The Israelis have closed all the roads leading into West Beirut," said Lebanese Premier Shafiq al-Wazzan at a news conference. "They have stopped all food supplies and have cut electricity and water; the situation is becoming desperate. I call on the world to wake up to the realities of this criminal siege."

Among the vehicles turned back by Christian militiamen working with the Israelis were four cars belonging to the International Committee of the Red Cross, as well as a convoy of 14 trucks loaded with fresh vegetables. The Christian militiamen told reporters that a jeepload of Israeli officers had ordered them Monday morning not to permit any Red Cross or food-bearing vehicles to pass.

The increased Israeli military and economic pressure on West Beirut — where some 6,000 Palestinian Liberation Organization guerrillas are trapped, along with 500,000 civilians — is designed to force the PLO leadership to agree

to the demand that the PLO and its fighters unconditionally leave Lebanon.

The effect of the Israeli siege, however, has been to bring negotiations for a peaceful settlement of the Lebanese crisis to a virtual standstill and, more ominously, to deepen antagonisms and suspicions between Lebanon's Muslim and Christians at a time when the country is badly in need of national unity.

The checkpoints at the three crossing roads between predominantly Muslim West Beirut and Christian East Beirut — where the Israelis are now entrenched in large numbers — are being manned on the eastern side by Israeli-supplied Christian Phalangist militiamen.

"The Americans say they want to unite Lebanon and create a strong central government," said former President Suleiman Frunzi, the titular head of West Beirut's Sunni Muslim population, "but what the Israelis are doing is separating Beirut, and preventing the Moslem prime minister from meeting with the Maronite president."

Mr. Wazzan — who lives and maintains his office in West Beirut — said he would not cross through Israeli checkpoints in East Beirut to attend further negotiations with President Elias Serris, Foreign Minister Fadi Butros and the U.S.

special envoy, Philip C. Habib, at the presidential palace in Baabda.

President Reagan, vacationing in California, sent new instructions to Mr. Habib on Monday in continuing efforts to resolve the crisis in Lebanon, Larry M. Speakes, the deputy White House press secretary, told reporters in Santa Barbara. Mr. Speakes said the president was being intensively briefed on the Lebanese situation. The Associated Press reported.

Beginning late Sunday night, Israeli warships off the Beirut coastline and gunners in the hills south of the capital blasted the several Palestinian neighborhoods, "damaging many buildings and causing many casualties," the state-run Beirut radio said.

Each side accused the other of starting the artillery duel, but there was clearly much more fire coming into the city than going out. Beirut radio said two shells also landed in the yard of the presidential palace in Baabda, injuring Foreign Minister Butros' driver. It was not clear who fired the shells.

The PLO news agency WAFA said Israeli armored units were trying to advance on Beirut International Airport and that four Israeli vehicles were hit.

Panicked residents lined up at the city's main supermarkets at dawn and swept the shelves clean of many staples, which normally are brought in from the east side. There was no gasoline to be had anywhere in West Beirut. Dr. Amal Kurban, the chief of staff at Beirut's American University Hospital, said his institution had only one or two days' supply of oxygen on hand.

In Jerusalem, an Army spokesman said Israel "has no intention of denying water to the population in the city or trying to starve them."

Arabist Reproaches Qadhafi  
BEIRUT (AP) — Yasser Arafat, the PLO leader, reproached Col. Moammar Qadhafi of Libya for urging Palestinian guerrillas bottled up in West Beirut to commit suicide before surrendering to Israel, the Palestinian news agency WAFA said Monday.

Mr. Arafat criticized Col. Qadhafi for his "stone of despair" and for failing to come to the aid of the besieged PLO, the agency said.

Casualty Count Lowered  
TEL AVIV (AP) — Israel lowered its estimate Monday of civilian casualties from its invasion of Lebanon, saying 331.

## Tass Says Reagan Is Preparing U.S. For War in Space

Washington Post Service  
MOSCOW — The Soviet Union sounded a note of alarm Monday about what it said were President Reagan's preparations for war in space, amid warnings here that development of new space weapons would give "a new and more dangerous dimension to the arms race."

Tass, in a report on Mr. Reagan's policy statement on future U.S. space efforts Sunday, said, "The president bluntly declared that his administration would be preparing for a war in outer space."

Mr. Reagan had called Sunday for deployment of an anti-satellite weapon, protection for manned and unmanned spacecraft and improvements in early warning systems to guard against nuclear threats.

In a commentary, Pravda reaffirmed Moscow's call to reach an agreement prohibiting the development of new space weapons systems. It linked the space shuttle program to "the extension of the arms race to outer space" and said Mr. Reagan's "represent a great danger for humanity."

"The Soviet Union has scientific and technological capabilities as well as economic means to counter in a proper fashion all such plans and to ensure its own security and that of its allies and friends," Pravda said. It quoted President Leonid I. Brezhnev as saying that the Soviet Union would "quickly and effectively" meet the American challenge.

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## Non-Communist Deputy in Poland Urges Regime to End Martial Law

United Press International  
WARSAW — A non-Communist member of parliament issued a bold call Monday to Poland's military authorities to lift martial law, grant amnesty to political prisoners and offer reconciliation.

But the speech by Roman Borkowski, a deputy from Gdynia, near where the Solidarity union was born, drew only a long silence from most parliament members. Five or six deputies applauded.

He said that Gen. Wojciech Jaruzelski, the nation's leader, "spoke here in this room about building a bridge. We know that a bridge is indispensable, but the majority of society is prevented from the possibility of building the first span."

"Let the authorities start building the first span by [reaching] agreement, [granting] a general amnesty, lifting the ban on suspended societies and other social organizations, returning civil liberties and lastly lifting martial law or at least substituting for it a less drastic formula," Mr. Borkowski

declared. Earlier this year he had voted against the martial law resolution.

He called for the immediate formation of a parliamentary committee to cooperate with local social action committees and the church to work out a draft of such

The Polish military regime is reportedly urging the pope to cancel his visit next month. Page 2.

a plan in time for Poland's national day, July 22.

Mr. Borkowski's speech, in which he also bluntly condemned police brutality, stunned the several hundred deputies gathered for the opening of a routine two-day session largely devoted to economic matters.

There have been increasing rumors in Warsaw that Gen. Jaruzelski will announce an amnesty for most of the estimated 2,800 political inmates still held under martial law regulations.

There have also been rumors that he would lift or modify martial law, perhaps in an effort to create more favorable conditions for a visit later this year by Pope John Paul II.

There has been continued controversy, however, over whether and how trade union organizations including Solidarity should be reactivated. All were suspended under martial law.

Mr. Borkowski's speech, the most explicit opposition yet to the military regime by a public figure in Poland outside the church, was reported by the official news agency PAP.

At the final parliamentary session Tuesday, deputies are to elect a precedent-setting state tribunal, whose members will be empowered to judge and decree punishment on government officials charged with irresponsible behavior or abuse of power.

Communist deputy Zbigniew Gietczyn opened Monday's session with an economic report that reiterated figures showing Poland's national income in 1981 dropped 13 percent while its standard of living dropped 22 percent.

## X-Ray Called Effective As Breast Cancer Test

By Paul Jacobs  
Los Angeles Times Service

LOS ANGELES — Mammography — X-rays of the breasts — played a crucial role in the early detection of breast cancer among 280,000 women who voluntarily took part in a nationwide, five-year cancer screening program that concluded last year.

The new findings, published Monday in *Ca*, an American Cancer Society physician publication, underscore the importance of mammography by showing that the accuracy of the technique has improved greatly over the past two decades, while exposure to potentially harmful radiation has fallen.

As many as 90 percent of the breast cancers diagnosed in the screening program — the Breast Cancer Detection Demonstration Project — required mammography.

The study showed that annual exams that included physical examination of the breasts and the appropriate use of mammography detected 80 percent of 3,557 cases of cancer before tumors had spread to the lymph nodes — a finding that usually requires extensive surgery and means a reduced rate of survival.

In one-third of the cancer cases detected in the annual exams, the tumors had not begun invading surrounding tissue or were less than one-half inch in diameter. In such instances, it is often possible to cut out the tumor without removing the breast.

In close to 60 percent of those smaller cancers — 656 out of 1,153 detected by the program — the tumors were discovered by mammography alone. They were not found on physical examination of the breasts.

Accuracy of Mammography  
In 1976, studies of the effects of radiation on the later development of breast cancer among survivors of the Hiroshima and Nagasaki atomic bombings caused some physicians to question whether routine breast X-rays might cause more deaths than they prevent.

national Cancer Institute and the American Cancer Society developed new, tighter standards under which women should be receiving mammography routinely in the hopes of diagnosing breast cancer early.

The results of the tests also indicate that mammography has become much more accurate as well. A 1963 study found that mammography could detect tumors in 60 percent of women aged 50 to 59 who were found to have breast cancer. The new findings show that mammography can find the tumors in 92 percent of the women with cancer in that same age group.

This is the largest data base collected on women 35 to 74," said Dr. Larry H. Baker, a professor at the University of Kansas Medical Center and the author of the paper on the new findings. "The role of mammography is very clearly demonstrated beyond any preceding study."

The study also showed that mammography is useful in the detection of cancer among women in the 35- to 49-year-old age bracket, something that was not demonstrated in the 1963 study conducted by the Health Insurance Plan of Greater New York.

Women without symptoms are encouraged to have regular mammography only after age 50. (The atomic bomb studies also show that older women are less likely to develop breast cancer after radiation exposure.)

The Cancer Society is recommending mammography for women in the 35-40 bracket to establish a "base line" mammogram — an X-ray picture of their normal breasts. Once 50, all women should have a mammogram every year if possible, according to the task force.

The Cancer Society estimates that there will be 112,000 new cases of breast cancer in the United States this year and that 36,300 women will die of the disease, the most frequent cause of cancer death among women. Further, one in 11 women will die of breast cancer sometime in their lifetimes.



STATION VACATION — Thousands of vacationers, who ordinarily would have traveled by train, had to find other ways at London's Victoria Station to seek the sun as British Rail engineers, defying a government dismissal threat, were on strike Monday for a second day.

## Silicon Valley, Like 1946 Vienna, Is Fertile Field for Spies

By Robert Lindsey  
New York Times Service

PALO ALTO, Calif. — When the news broke last month that two of Japan's most prestigious manufacturers had been charged with attempting to buy American computer secrets, it didn't surprise a lot of the folks who congregate each afternoon at Riskey's Hyatt House and Dink's Shack on El Camino Real.

"I think this thing with Mitsubishi and Hitachi is just the tip of the iceberg," said Charles Ruck. "I think it's surprising something like it hasn't happened before."

Law enforcement officials agreed: Silicon Valley has become like Vienna in 1946 or Lisbon in 1940 — a bustling ground for spies of many nations, not to mention agents of American companies spying on each other.

Thriving Bazaar  
It's also become, they say, a thriving underground bazaar where tens of millions of dollars worth of electronic equipment, some with military applications, is being stolen annually and shipped abroad, much of it to Communist countries.

600 electronics manufacturers and thousands of subcontractors, consultants and brokers who share in the \$4.2 billion a year that cascades into the electronics industry.

Countless ideas are passed and deals made in its hotels and watering holes. Each afternoon, and at night, Riskey's, Dink's Shack, Chez Yvonne and other bars and restaurants are crowded with friends, competitors and eavesdroppers.

"The amount of information that changes hands at those bars is incredible," said James Fox, an FBI agent with specialized knowledge of the problem.

How many people are engaged in trying to ferret out the secrets of Silicon Valley? It may be impossible to say. "Hundreds, anyway," Mr. Fox said. "The problem is gigantic."

Besides Japan and the Soviet Union and most Soviet-bloc countries, investigators say, representatives of many Third World countries, Israel, China, France, West Germany and other nations are engaged in trying to obtain technical processes to allow them to develop a microchip industry and to obtain hardware with military applications whose export the State Department prohibits. "Virtually the whole world wants the technology," Mr. Fox said.

Some secrets, he added, were gathered easily over drinks or dinner "in the name of commerce" by technically sophisticated agents who visit as members of trade or technical-exchange missions.

And, he said, some foreign countries plant covert

agents. Other nations, including China, which acquired part ownership of an electronics company, have bought their way in. Some countries, investigators say, obtain information by offering sizable salaries and bonuses to employees of American companies in exchange for knowledge about their former employer's technology. It is a form of industrial espionage, industry sources say, that is common when an American company wants to get some secrets about a competitor.

But Mr. Fox and other investigators said that foreign nations often do not have to use secret agents to get what they want.

"Perhaps our biggest problem is greedy Americans who will do almost anything for money," Mr. Fox said. There are about 200 independent brokers who sell electronic components to third countries — such as Canada or Switzerland — knowing that the components will eventually end up in the Soviet Union or a Soviet-bloc country in defiance of State Department regulations prohibiting delivery of the equipment to a Communist country.

Border an 'Open Sieve'  
The U.S. border "is an open sieve," said an investigator for the U.S. Bureau of Customs in San Francisco, which has established a task force to deal with the problem. Douglas K. Southard, a deputy district attorney for Santa Clara County who specializes in pro-

secuting crimes committed in Silicon Valley, blames the efforts to steal ideas and hardware from its companies on "greed and avarice" engendered by the industry's dizzying growth and the big fortunes it has produced.

Silicon Valley, he says, "is a prime example of capitalism on the rampage — everyone wants to become an overnight millionaire and money flows like water, tempting the otherwise honest citizen to scramble to get his share of the pie."

Technology a Priority  
Mr. Southard estimates that over the last five years at least \$100 million in hardware and technology has been stolen. On the world market, he said, microcircuits have become a new kind of illegal "drug" that, because they are so small, can be stolen easily and can then be sold for large amounts of money.

The Reagan administration has said that it is giving high priority to curbing the flow of technology and advanced hardware from U.S. companies, but many people here are skeptical about its success.

Mr. Ruck, a vice president of the Dimes Group, which exports nonmilitary medical and scientific instrumentation to the Soviet Union, said "there's a great deal of technology flowing out of the valley," some through outright espionage.

But much of this outflow, he added, is "because of the profit motivation, greed. The flow is almost impossible to stop unless we turn ourselves into a closed society."







## Sizing Up America's Top Farmer

### Block Is Optimistic Despite Criticism and Hard Times

By Ward Sinclair  
Washington Post Service

WASHINGTON — He may be the only farmer in the world who has been elected to the White House. He may be the only farmer who has been elected to the White House. He may be the only farmer who has been elected to the White House.

In spite of the agricultural economy, not being what it should be, I am encouraged and confident as secretary of agriculture, he said recently. "I've learned a lot. I'm a starter, better secretary now. I serve the president well in my capacity."

**Sizes Up Very Well**

Some in Washington's agriculture establishment — farmer and commodity groups, legislators, lobbyists — agree with Mr. Block's self-diagnosis. But not many. Almost all think he is a nice guy, but motivated him as an Illinois hog farmer still learning politics.

In 17 months in office, Mr. Block has traveled at home and abroad more than any other secretary in modern times. He has been called around brusquely on Capitol Hill over a farm bill and economic issues. He has engaged the nation's top food policy changes. He has been called around brusquely on Capitol Hill over a farm bill and economic issues. He has engaged the nation's top food policy changes.

no assistant secretary for congressional affairs.

Republicans who will talk for the record say, predictably, that he is doing an A-1 job. "He stacks up very well," said Rep. Paul Findley of Illinois. "He deserves high marks for ending the grain embargo. Farmers feel they have a champion in him."

Sen. Richard G. Lugar of Indiana said, "He was an excellent choice for secretary. He is a farmer, he's perceived as one of them. He does a good job within the constraints that are there."

Mr. Lugar's view was seconded by Joseph A. Kliney, agriculture adviser to the National Governors' Association and a longtime friend of Mr. Block. "Jack Block has more chemistry with farmers than any secretary in recent history," he said.

But Democrats like Rep. Glenn English, a member of the Agriculture Committee from Oklahoma, think the chemistry is a witch's potion. They think Mr. Block and the White House are directly responsible for current hard times on the farm.

**Boundless Optimism**

There is no question Block has the tools to improve the economic situation in agriculture, but he is philosophically opposed to using them. He has to bear the responsibility for a good part of the difficulties farmers are facing," Rep. English said. "His solution is to pray for bad weather, which shows

you how bad he is for agriculture."

The hallmark of it all is Mr. Block's boundless optimism. In the face of a continuing decline in the agricultural economy, his speeches and interviews are laden with a central thought: Let free markets work, let Mr. Reagan's economic recovery plan work, get government out of agriculture, and farmers will be in luck.

Roger Clark, a farmer from Brady, Neb., and vice president of Farmland Industries, a cooperative, is one of the secretary's constituents who is cooling. "One of my disappointments is that in all of his talks he says, 'Just wait, we'll have a recovery.' Even with recovery in other sectors, agriculture won't recover without other action. We can't continue to pile up bushels and bushels of grain like we're doing."

Mr. Clark added, "Every farmer will say he doesn't want government involved in farming, but the fact of life is that government is involved and government has to get into it now to get it straightened out."

"He's an honest, good man, an official of a major farmer organization said of Mr. Block. "But he's an ideologue. He absolutely believes this free market BS when he claims credit for lifting the Soviet grain embargo, that's BS, too. They came to the right political moment to lift it. He didn't end it."



John R. Block

Mr. Block does take credit for overcoming hard-line opposition and persuading the president to lift the embargo imposed by President Jimmy Carter in 1980 after Soviet troops intervened in Afghanistan. Mr. Block — as well as many of the country's farmers — continues to believe that the embargo was a severe self-inflicted wound.

Mr. Block's early inability to move the president and outgoing Secretary of State Alexander M. Haig Jr., who wanted to go slowly for fear of sending the "wrong signal" to the Soviet Union, became a celebrated source of frustration for him.

He said he felt then, as he feels now, that the embargo had hurt the U.S. farm economy more than it hurt the Russians. But worse, perhaps, it interrupted a steadily growing and lucrative trade connection that American farmers have not regained.

## Planned Shift Of Pentagon Schools Stalls

### Dependents' Education Overseen by Military

By Charles R. Babcock  
Washington Post Service

WASHINGTON — When Congress voted in 1979 to form a Cabinet-level Department of Education, planners decided to include the Defense Department's overseas dependent schools and their 9,000 employees.

But the Reagan administration took office intent on dismantling the Education Department as a Cabinet agency. Although that plan seems dead for this congressional session, administration officials are well on the way toward blocking transfer of the Pentagon schools.

In early May, the Senate passed an amendment by Sen. Dan Quayle, Republican of Indiana, to an authorization bill that would keep Department of Defense schools under the control of the military. The \$400 million-a-year system operates about 270 schools for 135,000 students in more than 20 foreign countries.

**Smooth Operation**

Sen. Quayle said that transferring the military schools would disrupt their smooth operation.

Sen. Robert T. Stafford, Republican of Vermont, chairman of the Senate education subcommittee, and Sen. William V. Roth Jr., Republican of Delaware, chairman of the Governmental Affairs Committee, opposed the amendment, in part because there had been no hearings on it.

The bill has yet to reach the House floor, but several administration officials and congressional aides said a ban on the transfer is likely to pass.

The National Education Association, the teachers' union that lobbied hard to establish the Education Department as a Cabinet agency, still favors the transfer. A lobbyist for the education association said it opposed Sen. Quayle's amendment in the Senate "and certainly will in the House."

The National Education Association's overseas affiliate won an election last month for the right to represent most of the 7,000 teachers in Defense Department schools.

In a letter in March to Congress asking that the transfer be blocked, the Defense Department general counsel, William H. Taft IV, said the military provided its schools with many support services, ranging from mail delivery to physical security, that the Education Department would find difficult to duplicate.

## Trudeau, to Win Economic Fight, Needs Help From Skeptical Public

By Henry Giniger  
New York Times Service

OTTAWA — Pierre Elliott Trudeau embarked last week on a crusade to end Canada's 12-percent inflation and the worst economic crisis since the Depression of the 1930s.

To succeed, he will need unaccustomed cooperation from skeptical Canadians. He seems confident of getting it: When a reporter asked if he had perhaps lost political effectiveness after more than 13 years as prime minister, Mr. Trudeau replied coldly, "No, I haven't given that any thought."

Others have. The recession, with high inflation, high interest rates and unemployment above 10 percent, has spread fear and unrest among wage-earners, farmers, and small businessmen. But even before the situation became critical, something verging on Trudeauaphobia began to replace the Trudeau-mania that swept him into office in 1968 and, with only a brief interruption in 1979, has kept him there.

The Globe and Mail of Toronto seemed to be speaking for many of Canada's decision-makers when it said, "Recovery has no chance if Mr. Trudeau stays." It added, "If we are to acquire faith in our potential for recovery, we must have a sign of change more believable than any budget could provide. Such a sign can come only from Prime Minister Pierre Trudeau, and it can come only with his resignation. His real failings are many. He can no longer deal with our problem. He is our problem."

Last week's budget imposed two years of wage restraint on federal employees as a signal to the rest of the country to follow suit. But when Mr. Trudeau met with the 10 provincial premiers, they refused to commit themselves to specifics on parallel measures.

**New Opportunity**

Mr. Trudeau, 62, has long fought to override regional, cultural and linguistic antagonisms and to forge a firmly knit Canada. But his 1979 campaign on these issues ended in bitter defeat and, after languishing in opposition for a few months, he announced his retirement. The ineptness of Joe Clark's Progressive-Conservative government gave him a new opportunity and in February, 1980, he came roaring back with the greeting, "Welcome to the 1980s."

The 1980s, however, have proved difficult. Dealing with Canada's economy is particularly frustrating for a strong-willed man like Mr. Trudeau. It is heavily subject to influences beyond any Canadian's control, notably from the United States where two-thirds

of Canada's exports are sold. As the economy has soured, so has the pro-Trudeau mood, even in his own party.

The Liberals enjoy a comfortable majority in the House of Commons and in their own interest are not likely to split apart on votes that could bring down Mr. Trudeau. But their future looks ominous; polls show them well behind the Progressive-Conservatives. Mr. Trudeau, who rarely confides his private thoughts, has kept everyone guessing as to when he may step down.

**NEWS ANALYSIS**

After his comeback in 1980, he launched two of his boldest moves. His energy policy sought to reverse Canada's long history of selling its natural resources and industrial manpower to foreign capital. By 1990, the oil and gas industry is to be at least 50 percent Canadian-owned. His other initiative ended 50 years of bickering over Canada's constitutional link to Britain with the proclamation in April of Canada's new constitution.

**National Goals**

Both policies were intended to establish national goals and a common national heritage. But they had their price. The energy program dampened investor confidence and drove oil-drilling operators southward to more hospitable climes. The constitutional battle left considerable bitterness, notably in Quebec, which rejected the new charter.

Paradoxically, his drive for na-

tional unity and strong national government has badly split the country. It has effectively wiped out the Liberal Party in the West, where the oil and gas is produced. It has isolated Quebec and has severely undermined confidence in his government.

In February, Mr. Trudeau declared his disillusionment with "cooperative federalism." Conceding he had been "kicked in the teeth" by greedy provincial leaders, he announced that the federal government would henceforth look out for itself. But now he acknowledges the cooperation of the provinces and the public to make voluntary wage and price restraints effective. It will not be easy.

If voluntarism does not work, Mr. Trudeau may be forced to invoke mandatory wage and price controls as he did in 1975 when he declared a national emergency and obtained Supreme Court backing. He does not normally have constitutional powers to resort to so drastic a step. But he has been drastic before and in the twilight of his career he may feel it would be better to act than to leave the economy in ruins and his standing in history tarnished.

## U.S. Anti-Tank Missile Said to Be Ineffective

By Morton Mintz  
Washington Post Service

WASHINGTON — A General Accounting Office report last week said the Defense Department's \$5-billion program for an advanced version of the Air Force missile called Maverick, saying that five years of operational testing have failed to show that the tank-killing weapon "can be used effectively by U.S. military personnel in combat."

Even under "very favorable test conditions," the missile had only "limited success," the report said. On the other hand, it found that it is not known whether the Maverick can work well under less-than-favorable test conditions, as may happen in combat.

As an example of "relatively benign test conditions," the report said that at Fort Riley, Kan., last week, "what to look for in the test situation despite the fact that this information would probably not be available in a combat situation."

The pilots "flew in a small and

familiar target area that had many unique, visual and thermal cues," such as burning hulks that they knew were "enemy" because "friendly" equipment wasn't provided, the report said.

**Testing Office Sought**

The report stems from a review of the Pentagon's operational weapon testing system, requested by Sen. David H. Pryor, Democrat of Arkansas. Sen. Pryor wants Congress to create an independent Pentagon office of operational testing and evaluation. The GAO, the investigating arm of Congress, picked Maverick as a case history of "weaknesses in current weapon testing," and on June 25 sent the report in classified form to Defense Secretary Caspar W. Weinberger. Sen. Pryor released unclassified portions Friday.

A Pentagon panel is scheduled to decide in August whether to order production of 200 advanced Mavericks as the possible first step toward buying 61,000 of the missiles from Hughes Aircraft Co. The GAO report warned against buy-

ing the 200 missiles because "even limited procurement requires more evidence of success in testing and evaluation than is currently available."

The Pentagon said Friday that it and the Air Force will have no comment "at this time."

In an interview in February, however, the panel chairman, Defense Undersecretary Richard D. DeLauer, said: "You know, it's a go-ahead now, there's no question about it, the question is at what pace."

The advanced Maverick uses an infrared device to sense temperature contrasts between an object and its hotter or colder immediate surroundings. It shows the contrasts on a cockpit screen five inches (12.7 centimeters) square, and is supposed to guide the missile to a target. Darkness doesn't affect the heat-seeking sensor, so it was promoted for its capability at night and in "adverse weather." In March, the GAO noted, the quoted phrase was changed to "limited adverse weather" without explanation or definition.

The unclassified GAO report said, however, that for the missile's primary mission, supporting and protecting ground troops, "it may be questioned whether the IR [infrared] Maverick can be successfully employed at its purported stand-off ranges." The report added that "the purported advantages of the IR Maverick may be more apparent than real."

The report also questioned whether pilots relying on the missile can find the target area "in the day, at night, and in adverse weather," and whether they can distinguish a friendly tank from an enemy tank.

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# Drop in Women's Support for Reagan Troubles White House Aides

By Herbert H. Denton

Washington Post Service

WASHINGTON — The demise last week of the Equal Rights Amendment may have been cause for celebration by some of President Reagan's supporters, but there was no revelry at the White House.

Rather, presidential advisers are increasingly worried about another, quieter development: Census data and public-opinion surveys clearly show women not only voting in greater numbers but also parting company dramatically with men, including the president, on key issues.

Indeed, Mr. Reagan's steady slide in the polls since his post-in-

augural "honeymoon" period is the result to a significant extent of a slide in his job-rating approval by women. A Washington Post-ABC News survey in May found that 52 percent of women disapproved of the way Mr. Reagan was performing as president while only 40 percent approved.

The views of men were the opposite — 52 percent approved and 42 percent disapproved.

## Masculine Image

Administration political strategists believe that economic issues and what one aide described as Mr. Reagan's "masculine" statements on military affairs are causing women to turn away from him.

Senior aides insist, as Mr. Reagan himself did at a news conference Wednesday night, that the president is committed to equal rights for women even though he opposed the ERA.

In recent weeks, presidential advisers have attempted, in the words of one, to "breathe new life" into administration initiatives to fulfill Mr. Reagan's campaign pledge to remove sexist and discriminatory provisions from state and federal laws.

Mr. Reagan referred Wednesday to such efforts as his "50 States Project," aimed at working with governors and state legislators to amend discriminatory state laws, and its federal counterpart, the Task Force on Legal Equity for Women.

## Doubts on New Project

But there are questions about the administration's dedication to the "50 States Project" concept. The part-time position of coordinator for the project was vacant for three months until late June.

The Task Force on Legal Equity for Women has not been much more active. It found that its assigned task of identifying discriminatory federal laws had been substantially accomplished in the Ford and Carter administrations.

Some women at the White House regard with sharp irritation the fact that the discussion of how to solve Mr. Reagan's problem is the province of an exclusive coterie of white males.

One well-positioned woman in the White House, who has worked in other Republican presidential campaigns in which women had important roles, said that when she joined the Reagan camp she immediately felt a different attitude toward women.

It is neither rudeness nor insult, she said, but more a myopic tendency to look on women as secretarial workers capable only of typing, filing and running out for coffee. She said women are frequently overlooked when it comes to promotions even though many secretaries and executive assistants are given responsibilities beyond their routine chores.

## Upward Moves

Still, the two women generally regarded as having the most influence in the Reagan White House have moved upward along that route.

Helene von Damme, Mr. Reagan's secretary since his days as the California governor, asked for and got major fund-raising responsibilities in the 1980 campaign. In the beginning at the White House, she returned to her secretarial position but was later sent to the White House personnel office to help with problems there. A formal announcement naming her as head of the personnel office is expected soon.

Margaret Turlejo, who is the executive assistant to the chief of staff, James A. Baker 3d, has also risen in influence and responsibility.

Senior male aides describe how she has begun to push issues affecting women in meetings. Respect is growing for what they describe as her keen judgment.

Ms. von Damme insists that "the best-kept secret in town" is Mr. Reagan's record of appointing women. Overall, Mr. Reagan's appointments of more than 400 women to patronage-level positions approximately equal President Jimmy Carter's in his first 17 months in office.

But Mr. Reagan has made more part-time appointments. Mr. Carter named three women to head Cabinet agencies. Mr. Reagan has none, although UN Ambassador Jeane J. Kirkpatrick holds Cabinet rank.

Mr. Reagan was the first president to appoint a woman, Sandra

Day O'Connor, to the Supreme Court, but he has not appointed any to the federal appellate courts and, in filling 30 vacancies in the trial courts, has appointed only three women. All 11 women on federal appeals courts and 30 of the 35 women judges in federal trial courts were appointed by Mr. Carter, according to the National Women's Political Caucus.

Lou Harris, the pollster, said last week he believed that "one of the major developments" of the 1980s would be the emergence of women as a "powerful new force in American politics."

Mr. Harris finds that men and women are beginning to differ on a range of key issues, including the prospects of nuclear war, the recession and poverty.

# Blacks Riot Over Pay At South African Mines

Compiled by Our Staff From Dispatches

JOHANNESBURG — Hundreds of black miners rioted and burned down a barber shop Monday in a continuing wage protest that has claimed eight lives along South Africa's gold mines.

In addition, South Africa's mining industry — its fortunes at their lowest in many years — faces the prospect of a strike by white miners.

A spokesman for the Kloof mine west of Johannesburg said South African riot police and security guards dispersed the blacks rioting there with tear gas, but production has been halted. Police said no shots were fired in the latest outbreak and they reported no injuries.

A mine spokesman said "intimidators" stopped men from working on the Sunday night shift and also halted production Monday morning. He said 12,000 workers broke out of hostels where they had been locked up by security guards and burned down a barber shop before they were dispersed.

Rioting apparently triggered by the pay disputes flared at four gold mines last Thursday. Police called to help mine guards shot and killed six miners at the Grootevlei and West Driefontein mines early Saturday.

500 Dismissed

Nearly 500 miners were dismissed and about 800 others left for their homelands following the riot. One miner was found stabbed to death and another died in a gunfight following what police said were tribal squabbles.

Mine spokesmen for the Gemcor and Gold Fields companies said work at East and West Driefontein, Siffontein, Grootevlei and Buffelsfontein mines has returned to normal. A Gold Fields spokesman said of the workers who had left, "We foresee no problems in replacing them because of the unemployment in the areas where we recruit."

Miners sources said black underground workers are dissatisfied with a 12-percent pay increase and further enraged that surface workers in safe jobs had been awarded 11 percent. Workers at nearby mines run by the giant Anglo-American Corp. were given 16-percent increases.

About 22,000 white miners will vote Wednesday on whether or not to back demands for a 15-percent pay increase with a strike. Management has countered that with the depressed gold price, it can offer only 9 percent.

Union leaders predicted that their members will vote overwhelmingly for a strike, which would be the first stoppage by white miners since a weeklong strike in 1979. The election results will be known Thursday.

Weak Economy

Employers, represented by the Chamber of Mines, said a strike could have a disastrous effect on the industry. They say costs in gold mining have soared and the mines have a duty to the weak national economy not to reach a large wage settlement.

South Africa produces the largest share of the world's gold. Foreign exchange earnings from gold are vital to the country's balance of payments, already heavily in deficit. Because of the fall in the world gold price to around \$315 an ounce, from \$375 two and a half years ago, more than a quarter of South Africa's 47 gold mines are operating at a loss.

The new pay scales for the 500,000 blacks, who are not union members, were set by the Chamber of Mines and came into effect on July 1. Black underground workers received a raise of about 12 percent, making the basic starting pay \$112 a month.

White miners, who mainly hold skilled jobs from which blacks are excluded by law, earn an average \$960 a month, according to 1981 figures.

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# 3 Kidnapped Judges Found Slain in Ghana

Compiled by Our Staff From Dispatches

ACCRA, Ghana — Three high court judges kidnapped from their homes last week have been found shot to death, the military government said Monday.

A government statement said the bodies of the judges had been found in the city of Akuse, 40 miles (64 kilometers) northeast of the capital, Accra. The corpse of a retired army officer, Maj. Acquah, was also found, the statement said.

The three judges, identified as Cecilia Koranteng Addoh, F.P. Sarkodie, and K.T. Agyepong, were abducted from their homes in Accra last Tuesday by an unidentified armed group.

Justice Koranteng Addoh's husband said Monday that she had been seized by four persons armed with a pistol and a submachine gun.

He said one of the kidnappers

approached the house on the pretext that a colleague's car had broken down. The other three then entered and seized his wife. The group then went to the homes of the other two justices and enticed them outside.

## Rawlings' Statement

Following the abduction, the government of Jerry J. Rawlings, a former air force flight lieutenant, denied involvement and ordered bodyguards to be assigned to other judges.

Mr. Rawlings, who came to power last December after staging his second military coup in less than three years, warned the kidnappers to release the judges or face "revolutionary action" — death by firing squad.

In a statement broadcast by Accra radio Monday, Mr. Rawlings spoke of enemies who had "recently intensified their preparation for an assault on the Provisional National Defence Council."

Mr. Rawlings, chairman of the ruling seven-man council, was quoted as saying: "During the past week we have had to put our military forces on the alert in order to crush any possible attack." He said the "enemies" had adopted terrorist tactics "in order to create an atmosphere of fear and panic among the population."

Mr. Rawlings added, "Such terrorism... cannot be allowed to go unpunished. Every effort is being made by a special high-powered investigation team to trace the criminals who perpetrated this horrible act."

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The Western sources indicated that the exchanges had made the negotiations more difficult and that part of Mr. Cabelly's mission was to give the guerrillas an assessment of the state of the talks.

The inference was that the United States is trying to convince the protagonists that the recent state-

ments may be designed to satisfy political constituencies, not to block the negotiations. The United States is the principal member of the so-called Western contact group that has been trying for several years to mediate between the rebels and South Africa over the future of Namibia. Other members of the contact group are Britain, Canada, France and West Germany.

A complication has arisen from a proposal by the contact group concerning linkage that has reinforced the rebels' suspicion that South Africa plans to use the issue to stall. The proposal, presented to the rebels in June, implicitly links a Namibian settlement to "other longstanding problems" of the region, a clear reference to the Cubans who are supporting the Luanda government and to the anti-government rebels backed by South Africa in southern Angola.

South African Forces

The proposal is apparently designed to ease South African fears that the Cuban presence is a threat to Pretoria's security. It is also apparently intended to fulfill Washington's wider desire to oppose Soviet influence.

A Western diplomatic source said Mr. Cabelly's visit seemed designed to "smooth ruffled feathers" and to discredit a belief among the insurgents that they are being pressed to accept a settlement that will benefit only the South Africans.

The timetable for the new discussions envisaged agreement on a settlement by Aug. 15. The Western strategy, sources said, is to keep up momentum to prevent the guerrillas or South Africa from backing out.

According to Western and African diplomatic sources, however, the United States insistence on linkage, however diplomatically phrased, has divided the contact group, with Canada, France and West Germany opposing the U.S. position and Britain ambivalent about it.

## U.S. Relations

Washington also ties the establishment of diplomatic relations with Angola to a Cuban withdrawal, a linkage that Angola rejects, just as it rejects any formal tie between a Namibia settlement and the Cuban presence. At the same time, there is an awareness here of the potential benefits from normalized relations with the United States.

According to recently published United States statistics, Angola earned \$559 million in exports — much of it crude oil — to the United States in 1980 and imported \$111 million worth of United States goods, making the United States its largest trading partner that year.

The Angolan authorities recently gave a fresh sign of interest in normalizing diplomatic ties. The government gave approval for a U.S. all-star college basketball team to tour Angola. The tour is due to start July 27.

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# U.S. Pipeline Stance Will Test Shultz Skills

## Resolving Trade Dispute With Allies Is Regarded as 'Monstrous Problem'

By Murrey Marder

Washington Post Service

WASHINGTON — President Reagan's insistence that a ban on U.S.-licensed equipment for the Soviet-European natural gas pipeline is "a matter of principle" poses a formidable task for diplomatic ingenuity, and for the mediating abilities of the newly designated secretary of state.

George P. Shultz, designated successor to Alexander M. Haig Jr., inherits a central U.S. role in grappling with what a senior State Department official described last week as a "monstrous problem."

Inside the Reagan administration, there is reported agreement

## NEWS ANALYSIS

at the Cabinet level to seek urgent "damage limitation" talks with Western European policy-makers while attempts to resolve the dispute are under way.

Mr. Reagan's tough stance in a vulnerable position last week by claiming that his administration "largely eliminated" the "disarray with our European allies" inherited from the Carter administration. Immediately afterward, Prime Minister Margaret Thatcher of Britain, Mr. Reagan's strongest supporter in the Western alliance, confounded his claim by telling the House of Commons that "it is wrong" for "one very powerful nation" to try to prevent the fulfillment of "existing contracts" for the pipeline.

The Europeans now are bringing legal challenges against the U.S. sanctions, and the arguments already extend beyond equipment for the Siberian pipeline to disputes over new U.S. duties on European steel exports to the United States, and to tax subsidies for foreign subsidiaries of U.S. corporations.

"It may be premature and exaggerated to talk in terms of a 'trade war,'" the British minister for trade, Peter Reese, said in New York last week before pressing the British case with officials in Washington, "yet the danger of a series of measures and countermeasures — it for tat — must be obvious to all."

## Trade-War Talk

Talk of a trade war among the Western allies is a reversal of the original argument over East-West trade sanctions. Chancellor Helmut Schmidt of West Germany and President Francois Mitterrand of France warned last month that they will not join in a "trade war" with the Soviet Union, which they said would lead back to the era of Cold War. The United States denied that was its intention.

Nevertheless, the allied clash is more about ideology and East-West strategy than about pure economics, and the debate runs through the Reagan administration as much as it does through the Western alliance. A major U.S. casualty in the dispute was Mr. Haig, who led and lost the argument inside the administration over imposing the pipeline sanctions.

Mr. Haig argued that Western Europe would reject overt economic pressure on the Soviet Union, opening a breach in allied ranks that could undercut all U.S. strategy for putting pressure on the Soviet Union to curb its buildup of military power.

His successor, Mr. Shultz, is noted for skill as a mediator, from his experience as secretary of labor, director of the Office of Management and Budget and ultimately secretary of the Treasury in the Nixon administration. It was several weeks, however, before Mr. Shultz goes through confirmation hearings, takes office and can begin to apply his negotiating talents to the dispute.

## Some Encouragement

In the meantime, some Reagan administration officials are drawing encouragement from the European Economic Community's agreement last week to raise interest rates on financing Western exports to the Soviet Union. The Reagan administration campaigned earlier for a curb on government-subsidized trade credits for the Soviet Union. That led Western Europeans into believing that the United States, in turn, would drop its demands for sanctions on equipment for the pipeline.

Some U.S. officials privately talk of ending the dispute by trading the pipeline sanctions for further restrictions on Soviet credits. Others, determined to exert maximum pressure on the Soviet Union, adamantly reject such a bargain.

The hard-liners insist that the only route open for lifting the pipeline sanctions is the easing of Soviet-supported repression in Poland. That was President Reagan's declared reason on June 18 for imposing the broad-based ban on U.S. pipeline equipment produced abroad.

Many administration officials concede privately, however, that the Polish situation was not the overriding reason for the pipeline sanctions. Rather, they say, it was the president's determination to inflict economic penalties on the Soviet Union. At his news conference Wednesday night, Mr. Reagan gave both rationales for his decision.

He said one purpose was to tighten the trade embargo on the Soviet Union until there is relief for its support of "the oppression that is going on of the people of Poland by their military government." The "second thing," he said, is that the Soviet Union "is very hard-pressed financially and economically to day."

## Pro-Sanctions Stand

The Western European governments contend that the pipeline will be built in any case, and reject the argument that trade can be used as an effective weapon to constrain Soviet expenditures on its vital security interests. But as Mr. Haig's resignation and the president's decision clearly illustrated, the predominant weight inside the Reagan administration remains on the pro-sanctions side of the debate.

The White House national security adviser, William P. Clark, has stated that it is administration policy to "force our principal adversary, the Soviet Union, to bear the brunt of its economic shortcomings." Defense Secretary Caspar W. Weinberger, Mr. Haig's principal antagonist, was the first to announce that policy in the earliest days of the administration.

Mr. Haig's and Mr. Shultz's positions parallel each other in several ways. According to Mr. Haig's associates, his dominant reason for reproaching the Reagan administration in his letter of resignation for a lack of "consistency, clarity and steadiness of purpose," was his complaint over shifting U.S. positions on sanctions against the Soviet Union.

Mr. Shultz has been committed for years to the need for consistency in U.S. foreign policy. In his last major public address, in London in October, 1981, Mr. Shultz stressed the need for "giving confidence to ourselves and our partners in the predictability of our behavior and the consistency of our purpose."

Mr. Shultz is also on record as a longstanding opponent of the use of trade as a political weapon. In the early 1970s, as an advocate of détente in the Nixon administration and a strong supporter of Henry A. Kissinger's strategy, Mr. Shultz opposed the use of trade sanctions to exert pressure on the Soviet Union to relax its emigration restrictions.

## U.S. Ends UN Energy Role

GENEVA (Reuters) — The United States has decided to pull out of United Nations energy projects in Europe that could aid the Soviet bloc, senior UN officials said Monday.

Washington informed the UN Economic Commission for Europe here last month it would no longer take part in its programs promoting East-West cooperation in energy production and use, ECE officials said. The officials said the decision would affect several ECE projects for co-operation and exchange of information in the energy field, especially natural gas, coal and electricity.

## Ex-Green Beret Tells of CIA Orders For Assassinations Around the World

United Press International

NEW YORK — A "secret American army" planned to assassinate a rebel leader in the Dominican Republic and routinely killed suspected Viet Cong sympathizers in Vietnam in the 1960s, an article in The New York Times Magazine said.

Luke Thompson, a former master sergeant in the Green Berets, an elite U.S. Army unit, was "part of a secret American army of covert agents who handled the dirty work of U.S. foreign policy — often under the supervision of the CIA — all over the world," the article by Times correspondent Philip Taubman said. Mr. Thompson, who served in the Green Berets from 1962 to 1978, retired disillusioned after a few weeks of training Libyan terrorists for \$6,500 a month under Edwin P. Wilson, a former CIA agent, the article said.

In 1965, Mr. Thompson was part of a secret team that devised a plan to bomb the house in which Francisco Dene Canimano, a Dominican leftist rebel leader, often met guerrillas. The plan was canceled as too risky, the magazine said.

Later, Mr. Thompson went to Southeast Asia, where "assassinations became almost routine" for him, the article said. Mr. Thompson said assassination targets included businessmen and politicians considered Viet Cong supporters or sympathizers.

Mr. Wilson, who is alleged to have supplied arms to Libya and to have helped train terrorists there, was arrested by federal authorities in June 15 and is being held on \$20-million bond. Mr. Thompson testified before a grand jury in the case and as a result was not indicted. U.S. authorities are investigating whether senior CIA officials were silent business partners of Mr. Wilson, the magazine said.

**Pym Arrives in Yugoslavia**  
BELGRADE — Francis Pym, the British foreign secretary, arrived Monday for a visit of two days to Yugoslavia.



ARTS / LEISURE

# Moscow Stage: A Streetcar Named Tennessee

By Serge Schmemmann  
New York Times Service

MOSCOW — The hottest American name on the Soviet stage today is Tennessee Williams.

It is more than three decades since Williams first thrilled and scandalized the United States with the drama of brutal conflicts played out under the veneer of Southern gentility; and it has been almost two decades since his last big Broadway success, "The Night of the Iguana." But in Moscow and across the Soviet land, "Koshka na Raskalynnoy Kryshe" ("Cat on a Hot Tin Roof") is a sensation.

"Cat" opened Dec. 28 at the Mayakovsky Theater, and "Rose Tattoo" followed a month later on the small stage of the venerable Moscow Art Theater. Remarkable as it may seem for two such relatively staid, censored Soviet stage artists, the premieres brought to seven the number of Williams plays now in the repertoires of Moscow theaters.

"A Streetcar Named Desire" has been playing at the Mayakovsky for 12 years, and "Sweet Bird of Youth" recently had its 195th performance at the Moscow Art Theater, still starring the doyenne of Russian actresses, the 76-year-old Angelina Stepanova, in the role of the Princess Kosmonopolis.

Elsewhere around Moscow one can catch "Kingdom of Earth," "Orpheus Descending," "Summer and Smoke" and "The Glass Menagerie," and there is hardly a major city in the Soviet Union where Williams is not featured in the local repertory.

"The American dramatist Tennessee Williams has become one of the most 'repertoried' of Western authors in the Soviet theater," the critics A. Obraztsova and V.

Gershikova wrote in Sovetskaya Kultura in a recent review of the phenomenon. "He has played in Leningrad and Volgograd, Khabarovsk and Yerevan."

Russian Following

In an interview two years ago, Williams conceded that he had gone through a "period of eclipse" in his native United States. There is no such problem in Russia. Vitaly Y. Vulf, a student of American drama, who must be allowed some license because he translated the last four Williams plays to be actively promoting the American dramatist, declared: "He's the biggest success since Chekhov."

Tennessee Williams in Moscow may not be the Tennessee Williams of Broadway, or of Elia Kazan, Marlon Brando, or Jessica Tandy. Some of the nuances and humor of the Southern dialect are inevitably lost — "Boisboui Pa," for example, just isn't "Big Daddy" — and some of the rougher edges have been filed off for the more puritanical Soviet tastes. The double-bet on which "Sweet Bird of Youth" starts is moved discreetly offstage, and Wayne Chance never does light up a joint. The vodka with which the Princess Kosmonopolis washes down her pills is replaced on the Moscow stage with gin, a Western liquor that Russians would consider far more befitting a Western star, albeit a fading one.

Why is there so great a fascination here with an American dramatist of a previous generation? The answer seems to lie both in traditional Russian tastes and in the needs of today's Soviet theatergoers.

Resonances

Williams' dissections of suffering humans, his brutal exposures of human frailty and sin find echoes in the Dostoevskian tradition, while the languid fin-de-siècle mood of Williams' Deep South in-

ter recalls the tone of Chekhov's plays. Williams may be considerably more sensational than any Russian dramatist, but he speaks in Russia to a developed appreciation for themes of human passion, despair and confession.

During the painful dialogue between a dying Big Daddy and his alcoholic son in a recent performance of "Cat on a Hot Tin Roof," anguished groans of empathy rose repeatedly from the audience. Maggie's declaration, "You've got to be one or the other, either young or with money," drew squeals of appreciation.

At the same time, the subjects and qualities that made Williams so shocking to the America of the 1940s and '50s can still tantalize in Moscow.

The drama of a young athlete driven to despair and drink by the suspicion of homosexuality — Brick in "Cat on a Hot Tin Roof" — is real in a land where homosexuality is a crime, and any dramatist daring to explore antisocial activities such as cannibalism, pederasty or castration would abruptly disappear from public view.

Forbidden Themes

But by using "imported" plays, Soviet directors can purport to be exposing the degradation and decadence of the bourgeois world while exploring "forbidden" themes as viable in the Moscow of 1982 as they were in the America of 1952.

"This is the key to the Williams phenomenon," said Vulf, the translator. "We get to see familiar passions in a foreign setting."

The critics Obraztsova and Gershikova are equally engrossed by Williams' popularity. But writing in an official publication, they tend to find the answer in social commentary.

"It's no coincidence," they argued, "that the action of his plays takes place so often in the Southern states, where many social and political conflicts are especially pronounced, or that his heroes are so often immigrants, the most degraded and humiliated people in successful America."

The critics then go on to a most flattering review of the latest Williams plays in Moscow and appeal for more American drama. "Nobody has said more brutal truths about the grief and evil of contemporary America than American writers themselves," they wrote, asking that theaters consider newer works by Williams and Edward Albee and Robert Patrick's "Kennedy's Children" or David Rabe's "Starcrossed."

But for now Williams literally holds the stage, to the obvious delight of directors and actors who have matched the imported themes with some imaginative staging.

The production of "Rose Tattoo" on the small stage of the Moscow Art Theater, for example, separates male and female spectators on opposite sides of the stage. The wronged widow Serafina delle Rose, acted with intensity and passion by Irina Miroshnichenko, launches appeals or reproach at one side or the other.

The small, experimental theater has only 90 seats, and tickets are precious. Chances to see "Rose Tattoo" may be better in the 10 other cities to which the play has already spread. But if "Sweet Bird of Youth" is any guide, it is unlikely that there will ever be enough tickets. On the night of its 195th showing, hopefuls were still milling around outside looking for spare tickets.

## International 'Falstaff'

By Henry Pleasants  
International Herald Tribune

LONDON — No new opera production in many a season has been awaited more eagerly, or with higher expectations, or has any been more rapturously received, than the "Falstaff" that had its Royal Opera premiere at Covent Garden last week.

It wasn't quite a premiere, and that is an important part of the story. This is a tri-city, international production involving the Los Angeles Philharmonic, the Royal Opera and the Teatro Comunale of Florence, bringing Carlo Maria Giulini, musical director of the Los Angeles Philharmonic, back to live opera for the first time in 14 years. It had its first performances in Los Angeles in April and will reappear in Florence next January, all with only one substantial cast change.

Giulini has attributed his absence from opera to his disinclination to accept the conditions of planning, preparation, rehearsal and casting that prevail in most opera houses. For this production, it was seen to that he had his way. It was prepared in London with a cast of his own choosing, and rehearsed for a month in Los Angeles.

The result, as was to be expected of Giulini, is a triumph of ensemble, a musical rather than a merely theatrical or conventionally operatic delight. There can hardly ever have been a "Falstaff" so precisely, so cleanly, so crisply sung and played, nor one that revealed so memorably the enchantment of Verdi's scoring of his last opera. So it was that in the ritual ovations at the final curtain the splendid Falstaff of Renato Bruson shared the highest accolade count with the conductor.

Bruson's Falstaff, his first, is less flamboyant, less a caricature, less comical than is customary, a de-caying Sir John who looks and behaves like a man who might once have decently earned a knighthood, and he fits perfectly into Ronald Eyre's rather sober production. Vocally he is superb, although some of his sotto voce and mezza voce subtleties fall victim of Giulini's orchestra.

Needless to dwell on other individuals in an accomplishment so much a matter of ensemble. All are excellent: Katia Ricciarelli as Mistress Ford, Brenda Bozner as Mistress Page, Barbara Hendricks as Nannetta, Lucia Valentini-Terrani as Mistress Quickly, Leo Nucci as Ford, Dalmacio Gonzalez as Pistol, William Wildermann as Fenton, Francis Egerton as Bardolph and John Dobson as Doctor Caius.

Further performances July 6, 9, 13 and 16. The performance on July 16 will be televised.



Tennessee Williams

# Highlights of Festivals — Part 5

International Herald Tribune  
FOLLOWING is the fifth of a series of listings of highlights of some of this year's music and arts festivals. The others appeared on May 7, 21, 28 and June 29:

Vaison is Romane (July 11-Aug. 14): Mozart's "Il Re Pastore" and Purcell's "Dido and Aeneas" are the operatic offerings, and the rest of the program ranges from an opening folklore gala to Antonio Gades' choreographed version of "Blood Wedding," to Moliere and Shakespeare, to Lionel Hampton, Barbara Hendricks, Gilbert Beaud and a Brazilian variety show. (Bureau du Festival, F-84110 Vaison la Romanine, France.)

Santander (July 11-Aug. 29): Visitors include the Prague Symphony, the London Philharmonic, the Ballet of the 20th Century, the Moscovy dance company, Lindsay Kemp and his dance company, chamber music and recitals, Spanish-American folk music and dance, flamenco, film week, recitals by tenor Alfredo Kraus and soprano Montserrat Caballé, and a concert performance of Wagner's "Lohengrin." (Festival Internacional de Santander, Juan de la Cosa 3-1, Santander, Spain.)

Orange (July 13-Aug. 7): Verdi is represented by his Requiem and the opera "La Forza del Destino," and "Nabucco" in the Roman theater; there are recitals by Gundula Hendricks, Teresa Berganza, Barbara Hendricks, Katia Ricciarelli and Lucia Valentini-Terrani, and a concert of Dalmacio Gonzalez's "De Profundis" and Lully's "Te Deum" under Jean-Claude Malgoire. (Choeur d'Orange, Maison du Theatre, F-84100 Orange, France.)

Aix-en-Provence (July 15-Aug. 3): Mainly for opera, with the world stage premiere of Ramon's "Les Boreades" and new productions of Mozart's "The Magic Flute" and Rossini's "Il Tarcis in Italia," as well as a number of concerts and recitals in which the voice is the featured instrument. (Palais de l'Archeveche, F-13100 Aix-en-Provence, France.)

Monte Carlo (July 18-Aug. 11): The summer concerts in the courtyard of the Palais Princier are conducted this year by Lawrence Foster, James Conlon, Jean-Claude Casadesu, Rudolf Barshai and Zdenek Macal, and the soloists include the pianists Yuri Egorov, Francois-Rene Duchable and Misha Dichter, soprano Gimmela Janowitz, violinist Dmitri Sitkovsky, and Bassist Jean-Pierre Rampal. (Casino de Monte Carlo, Monaco.)

Bregenz (July 21-Aug. 21): Strauss' "Cyprien" is this year's show on the floating stage on Lake Constance and Donizetti's "Lucia di Lammermoor" the indoor opera in the Festspielhaus, plus concerts by the Vienna Symphony and the Dresden Staatskapelle, and Dvorak's "Symphonic Dances" by a Czechoslovak dance ensemble. (Bregenz Festspiele, Postfach 119, A-6901 Bregenz, Austria.)

Bayreuth (July 25-Aug. 28): A new production of "Parsifal" will mark the 100th anniversary of the first performance, in the Festspielhaus here, of Wagner's last music drama. It will be conducted by James Levine, staged by Gerd Friedrich, and designed by Andreas Reinhardt. "Tristan," "The Flying Dutchman," "Die Meistersinger" and "Lohengrin" are the revivals. (Richard Wagner Festspiele, Postfach 2330, D-8580 Bayreuth 2, West Germany.)

Salzburg (July 25-Aug. 30): The new opera productions are Beethoven's "Fidelio" conducted by Lorin Maazel and sung by Leopold Lindtberg and Mozart's "Così fan Tutti" conducted by Riccardo Muti and staged by Michael Hampe. The Vienna Philharmonic is joined by the Berlin Philharmonic, the Academy of St. Martin in the Fields and the Austrian Radio Orchestra in the concert program, and there is the usual array of church concerts, serenades, Mozart matinees, recitals and chamber concerts. (Salzburger Festspiele, Postfach 140, A-5010 Salzburg, Austria.)

Gstaad-Saanen (Aug. 3-31): Yehudi Menuhin is here as violinist, conductor and patron saint for a total of 11 chamber music concerts in the Saanen church, with the English Chamber Orchestra, the Zurich Chamber Orchestra, the Bern Camerata, the Endellion String Quartet, pianist Jeremy Menuhin and others. (Verkehrsbureau, CH-3700 Gstaad, Switzerland.)

Lucerne (Aug. 14-Sept. 7): English music from Purcell to contemporary composers is the theme of this year's festival, underlined by an exhibition devoted to Benjamin Britten, and the 25th anniversary of the death of the Swiss composer Othmar Schoeck will be marked in some of the concerts. Visiting ensembles include the London Symphony Orchestra and the Philharmonia Orchestra of London, the Philadelphia Orchestra, the Berlin Philharmonic, the Bavarian Radio Orchestra, the Filaria of London and the Philip Jones Brass Ensemble. (Philharmonie 14, Postfach 624, CH-6002 Lucerne, Switzerland.)

Edinburgh (Aug. 22-Sept. 11): The emphasis is on Italian music this year, including the return of the Piccola Scala of Milan for the first time in 25 years and a production of Puccini's "Manon Lescaut" by the Scottish Opera. Dresden will be represented by its opera and the Staatskapelle, five drama companies will be on hand, including ones from Rome and Sardinia, and the American Repertory Theater brings productions of "Signarelli," four short Moliere farces, and an adaptation of Wedekind's "Lulu" plays. (21 Market Street, Edinburgh EH1 1BW, Scotland.)

Three Choirs Festival (Aug. 22-27): Held this year in Hereford Cathedral, the program includes works by Haydn, Mozart, Kodaly, Stravinsky, Britten, Walton and new works by William Mathias and Geoffrey Burgon. (34 Bridge Street, Hereford, England.)

Helsinki (Aug. 26-Sept. 18): Finnish orchestras are joined by French and Soviet radio orchestras in the concert program, and other ensembles and soloists include the Cleveland Quartet, the Penta Trio, the Wilton Quartet, Claudio Arrau, Jean-Pierre Rampal and Heinz Holliger. (Edinburgh, Scotland.)

Arts Agenda

PARIS — A double bill of Puccini's "Il Trittico" and Leoncavallo's "I Pagliacci" in new productions, is being given by the Paris Opera. Both are conducted by James Conlon. "Il Trittico" has Gheorghe Bogdanescu as Michele, Maria Stokkova as Giacomina and Giorgio Martelli as Luigi, and in "I Pagliacci" Jean Vickers sings Canio, Catherine Mallette is Nedda and Silvano Caronli is Tonio. Remaining performances are July 8, 10 and 12.

ions include the Vatican Collection of Modern Religious Art. (Unioninkatu 28, SF-00100 Helsinki 10, Finland.)

Montreux-Vevy (Aug. 27-Oct. 4): The Sofia Philharmonic, the Academy of St. Martin in the Fields, the Cologne Chamber Orchestra, the London Symphony, the Ensemble Instrumental de France, the Rotterdam Philharmonic, the New Orleans Philharmonic, 1 Musici, organists Marie-Claire Alain and Daniel Chomez, pianists Claudio Arrau and Miguel Angel Estrella, and many others are on the program of the 37th festival. (14 Avenue des Alpes, CH-1820 Montreux, Switzerland.)

Stress (Aug. 27-Sept. 25): The Philharmonia Orchestra of London, the Maggio Musicale Orchestra of Florence, the Academy of St. Martin in the Fields, 1 Solisti Venedi, the Polish Chamber Orchestra and the Lindsay Quartet are among the ensembles, and soloists include Jean-Pierre Rampal, Gyorgy Cziffra and Peter Scherer. (Settimane Musicali di Stress, Via R. Bonghi 4, I-28049 Stress, Italy.)

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# Herald Tribune

Published With The New York Times and The Washington Post

## Israel and the Beirut Siege

From THE WASHINGTON POST:

In the continuing negotiations over the terms of the PLO's departure from West Beirut, one point should be kept in mind above all others. There can be absolutely no justification for an Israeli assault that would take further civilian lives.

Yes, the PLO has cynically taken refuge in a people's city and is trying to shift blame to Israel for the blame for the Lebanese Maronite leader, on strong grounds in protesting that PLO chairman Yasser Arafat has no right to threaten, as he has, that he will make West Beirut his Stalingrad. Still, too many innocent people have already died in this Lebanese war. The Israelis are fighting far from their border, in an Arab capital, and they have no call to kill more. For any breakdown of the ragged cease-fire of the past week, they will be held primarily to account.

The actual negotiations on the PLO seem to be moving ahead. Over the weekend, Mr. Arafat was reported to have informed the key middleman, U.S. envoy Philip Habib, of his intent to take all of his troops and the PLO's political leadership out of Lebanon. In outline, the offer looks promising: its relative moderation was attested to Monday by U.S. Secretary of State Alexander Haig, in his first move toward PLO forces to conduct rather than accept the indignity that is discerned in Mr. Arafat's terms.

The Arafat statement registers fully the PLO's devastating defeat in Lebanon. Its terms would shear the PLO of its single remaining base of conventional operations adjacent to Israel — and of its Lebanese fac-

ties serving international terrorism. It would remove the first of the three foreign forces that must be removed if Lebanon is somehow to be put back together again; the other two forces belong to Syria and Israel.

On Monday, the Israeli Cabinet issued an objection to the Arafat position, saying, among other things, that Mr. Arafat still wanted to keep in Beirut a "political office," which in the Cabinet's view could all too easily turn into something more insidious. Israel's desire to deny the PLO any presence of any kind in Lebanon, however circumscribed and innocuous, is consistent with its purpose of utterly humiliating the PLO.

In any event, the question of the form of a residual PLO presence under Lebanese governmental authority is certainly not an issue that gives Israel the slightest legitimate pretext for busting into West Beirut and killing a lot more people. If it is true that Mr. Arafat has no right to make West Beirut a Stalingrad, then no one has named Israel either to be the arbiter of the city's fate.

One would expect that Israel, with its principal objectives having been achieved in Lebanon at a major cost to its standing in Western public opinion, would be eager to show a magnanimous and humanitarian face as the war winds down. The PLO is being closed out in Lebanon — no one doubts it. Soon, if there are no surprises, attention will turn to the aftermath of the war. The Israelis will likely be presenting the United States with a huge bill for the fighting and with a diplomatic plan for exploiting its results. Israel is going to need every ounce of good will it can muster for that difficult passage.

## Facing Argentine Reality

From THE NEW YORK TIMES:

The democratic world should take careful note of current goings-on in Buenos Aires. Defeat in the Falklands apparently has not, as some feared, sent Argentina lurching to wilder extremes. To be sure, the military remains in charge. But the new president is a retired general, Reynaldo Benito Bignone, who calls himself "a man of dialogue." He has lifted a six-year ban on politics and promises to hold elections by 1984.

Mr. Bignone has put together a predominantly civilian Cabinet that can best be characterized as sober, even stolid. In all, the military leaders seem less vindictive than embittered about the war; the navy and air force are pressing for a quicker return to civilian and democratic rule. By Argentine standards, these are hopeful auguries.

The new president could make his intentions even clearer if he would take two positive steps. One would be to drop all remaining charges against three British journalists detained during the fighting. To its credit, the

government recently released the three — Simon Winchester of The Sunday Times and Ian Mather and Anthony Prime of The Observer — but they are only out on bail and must still face espionage charges. Their detention was indefensible in the first place and occurred at a time when other journalists were being abducted and beaten by thugs of the security service. Argentina ought to write finis to the whole sorry chapter.

Another conclusion is essential before Argentina can begin to repair the political and economic damage of the former junta's reckless aggression. The war will not be over until the military leadership says it is over, firmly ruling out further military action. That would clear the way for the return of hundreds of prisoners still detained by Britain, and for the removal of remaining economic sanctions.

With inflation in Argentina roaring at a triple-digit pace, and about \$35 billion owed to foreign banks, the new government ought to say finally, and firmly, what everyone knows. The invasion of the Falklands failed.

## A Nameless, Ancient Crime

From THE NEW YORK TIMES:

An ancient crime has crept to a new prominence in the United States. Its victims are the best or most eminent, those whose fall can jar the edifice of the state. Despite tragedy after tragedy, the crime that is their common link is hard to see because there is no name for it.

The crime is committing a historically outrageous act to procure a name in history. It's something more than infamy. It might be called herostatism, after Herostatos, the Greek who sought lasting fame by burning the temple of Artemis at Ephesus, a wonder of the ancient world.

By his own admission, desire for infamous celebrity led John Hinckley to make his attempt on President Reagan's life. His first concern after the crime was how it was playing on television. The same purpose doubtless drove other assassins who, with no obvi-

ous political end, have set their sights on those in the public eye. The terrorist kills anonymously or in the name of his cause. The herostatist aims only to link his own name with that of his innocent target. George Wallace and John Lennon may have been victims, and perhaps notoriety was among the urges of the others who have taken shots at public figures without clear motive.

Herostatism may not, as Europeans believe, be a characteristically American crime. But bringing the United States into the community of countries that forbids the unilateral public ownership of mass would be a step forward. Another would be to reduce the culturally sanctioned celebration of violence. The Ephesians forbade the mention of Herostatos's name. It was an empty gesture, but fitting to the crime, and it was at least an attempt to do something.

## Other Editorial Opinion

### Enough Bluster From Russia

The resolution and determination that President Reagan expressed at the United Nations in regard to Russia hit the right note. The days of wordy waffling on the issue of peace are over. Somewhere one must cease codding the nutty false hopes, and ask for peace on terms that are realistically grounded, and the president has done that.

We see Mr. Gromyko's assurance that Russia will not be the first to use nuclear weaponry only as a ploy, a Russian realization that, in the wake of the resolution shown by Britain in the Falklands, of our own intention to bring our defense to readiness, and the general acceptance of Mr. Reagan's position by Europe — not to mention the re-evaluation in Lebanon battles that Russian arms are not reliable or dependable — the days of bluff and bluster will no longer serve, so Russia employs words of sweet reasonableness.

Fine, says Reagan, but words are not enough. We want to see a Russian follow-up

in action, a verifiable effort toward nuclear containment and peace. It is a thoroughly sound position. Let Russia match its words with deeds. No more mere talk or bluff.

— The Chronicle (Williamstown, Conn.)

### The Real Threat to Peace

There are too many people around who believe that the nuclear arms race is the only threat to peace that matters. In fact it is probably one of the lesser threats, because of strategic parity between the United States and the Soviet Union. The main danger to world peace comes not from the arsenals of the superpowers but from the instability of a world that the superpowers have less and less power to control. As more states acquire nuclear weapons, the danger of nuclear war will obviously increase, but disarmament by the superpowers would not diminish it. They must not get sucked into the conflicts of uncontrollable clients, especially against equally uncontrollable clients of other superpowers.

— The Times (London)

## JULY 6: FROM OUR PAGES 75 AND 50 YEARS AGO

### 1907: Philadelphia Press 'Gagged'

NEW YORK — The world comments: "A free press no longer exists in Philadelphia. Without exception, the newspapers have been gagged by their subservience to a combination of big advertisers. When one of the proprietors of the Gimbel department store was arrested here on a serious charge and later committed suicide in Hoboken, not a single newspaper in Philadelphia presumed to print a line about the matter. Now opposition to the scheme to bestow upon the rapid transit monopoly a wholesale grant of new powers for 50 years has been refused a fair hearing. Civic organizations who have been conducting a campaign against the ordinance find the columns of the local press closed to them."

### 1932: Hot Speeches for Veterans

WASHINGTON — Ragged and unkempt, but maintaining good military formation, about 15,000 veterans, members of the Bonus Expeditionary Force, staged a parade past the Capitol. They were reviewed by their commander, William W. (Hot) Waters, self-styled "hard-boiled guy," and given a ration of peppery speeches. The demonstration was orderly, though mention of President Hoover was the signal for booing. There were demands for immediate approval by Congress of the bonus bill and each company carried a banner inscribed, "We are here to stay until we get it." Gen. Waters said: "I am going off to try to raise some funds for more food," and left by airplane for New York.

# Haig on Lebanon: 'A Great Strategic Opportunity'

WASHINGTON — In an interview granted just before his resignation as secretary of state, Alexander M. Haig Jr. offered views on the war in Lebanon that may help explain his policy differences with the Reagan White House. He was speaking soon after Israeli Prime Minister Menachem Begin left Washington; the prime minister departed three days before Mr. Haig resigned.

Here are edited excerpts from the interview: Q: How was Prime Minister Begin's visit to Washington? Were there any provocations?

A: Mr. Begin never provokes me. I think I know where he comes from. He is a patriot. He is a man who is isolated, as are his people, in an unfriendly environment. He is a man who, with vision and statesmanship, can change that situation with flexibility and understanding for the agonies of the Palestinian people, which also must be considered.

Mr. Begin had a very difficult time with the Foreign Relations Committee of the Senate, but his meeting with the House Foreign Affairs Committee was much easier.

Q: You've spent many hours with Prime Minister Begin. How would you describe him?

A: He is a leader with a great burden.

Q: Why is he depicted so negatively in the press?

A: In some ways, he has always been badly treated by the press. But he is not going to get his report card in history based on whether or not the press has been good or bad to him. He will be measured by whether or not he preserved and furthered the interest of his people and contributed to peace and stability in the region of the Middle East.

Q: Why are you unwilling to criticize Israel publicly?

A: I believe in conducting diplomacy among friends as friends, and not under the glare of

In the course of two days the week before last, Alexander Haig and Menachem Begin gave separate interviews to Trude B. Feldman, Washington correspondent for an international group of Jewish publications. This was apparently Mr. Haig's last interview before he resigned as secretary of state, and Mr. Begin's only newspaper interview during his visit to the United States. Both articles were published by The Washington Post.

The interviewer asked Mr. Begin how he

would feel if Mr. Haig left office (as he did three days later), a question that surprised the Israeli prime minister, who gave Mr. Haig an eloquent testimonial. She questioned Mr. Haig about his attitude toward Mr. Begin, which produced another testimonial. The edited excerpts of these interviews reveal an unusual degree of agreement between the two statesmen of such diverse populations. The interview with Mr. Begin will appear in Wednesday's editions of the International Herald Tribune.

public posturing, and criticism in a manner in which states deal directly with one another in quiet diplomacy and in a manner that each other's positions are mutually understood.

Q: Do you agree with Begin and his policies?

A: Not always, but it's not a question of being for a personality or a leader or against a personality. It is a question of espousing and adhering to a set of principles designed to achieve America's best interests in the region, in time with America's fundamental values.

Q: Do you agree with Premier Begin's incursion into Lebanon?

A: It's not my role to agree or not. Mr. Begin explains the motivations for actions taken one way. The Israeli assessment presents one picture. Other sources present another picture. And the Lebanese government presents yet a third picture. Israel has justified its action as the result of a continuation of terrorism from the Lebanese territory against the populations of northern Galilee. Israel insists that the initial reaction of its forces under the provocation of an assault on her diplomat in London was a surgical strike against two PLO installations south of Beirut, neither of which resulted in the noncombatant casualties attributed to them.

But the subsequent strikes against Beirut which have generated such criticism, Israel insists were the result of extensive rocket and artillery fire from southern Lebanon.

Q: What's the solution to the Lebanon crisis?

A: The situation in Lebanon offers a great strategic opportunity for the moderate Arab world, for the United States, and above all for the tortured people and populations of Lebanon who have been under the heel of an international terrorist organization — and terrorized, plagued and brutalized since entry of the PLO into that country in the mid-1970s.

The situation developed after the expulsion of the hard-core Palestinian movement from Jordan in the early 1970s. Now the Mideast is once again wrenched by the horrors of war.

Many people criticize Israel for overreaction, and indeed, that has been Israel's pattern — in a military sense — since the founding of the state of Israel in 1948.

Today, the West is facing the judgment — should, or can we insist on arrangements which will leave the Palestinian terrorist organization intact as an armed extraterritorial element within the sovereign borders of Lebanon? The answer is a resounding "No." It is vitally im-

portant for the West to keep its eye on the historic perspective of the tragedy that is Lebanon today and not reimpose the conditions which brought about this tragic situation.

Q: What has been the impact on U.S. relations with Israel as a result of Premier Begin's incursion into Lebanon?

A: Every resort to force by Israel has its cost. It is frequently difficult for those not immediately involved to comprehend or accept violent Israeli response to an accumulation of terrorist provocations any one of which appears less significant than the Israeli reaction. It is precisely this phenomenon that has historically made the combating of terrorism so difficult.

Q: What about arms for Jordan?

A: Over an extended period, Jordan has expressed interest in mobile air defense capabilities and it was the previous administration's failure to provide such equipment that resulted in the subsequent deal between Jordan and the Soviet Union to provide similar equipment.

No state should have a veto over U.S. relationships with other friendly states, and it makes little sense for Israel to pursue policies which have the practical consequence of forcing neighboring states to satisfy their legitimate defense needs through arrangements with powers that do not share U.S. or Israeli interests.

Q: What's the next step in the Middle East?

A: The establishment of a sovereign Lebanon, free from external forces, free from extraterritoriality within its borders, and a major renewed emphasis on the peace process; the solution to the autonomy question as an interim confidence-building process upon which a comprehensive peace can ultimately be built.

There is an urgent need for dramatic progress in the autonomy process. Above all, there must be a clear recognition of the aspirations of the Palestinian people.

## Larceny: High-Tech Flattery

By Daniel S. Greenberg

WASHINGTON — In technological inventiveness, larceny is the highest form of flattery.

That's the most important lesson to be drawn from recent revelations of illicit purchases of American electronic designs by employees of two of Japan's most esteemed manufacturing firms. What to do about it to protect America's interests, however, is not so obvious. The reason is that the traditional paraphernalia and techniques for the protection of valuable secrets — fences, safeguards, personnel checks — are irrelevant to the protection of the United States' greatest technological asset, which is the ability to invent. High-tech rustlers are prowling U.S. territory because Americans have the goods, and, while one doesn't want to make things too easy for them, it is important to understand the source of the United States' technological advantage in order to preserve it.

The intellectual underpinnings of the envied U.S. prowess in electronics, biotechnology and other fields are to be found in university basic research laboratories and a few big industrial research centers that operate along academic lines. Their prime objective is that they encourage intellectual productivity through open communication with colleagues and by publishing accounts of their work.

There are deviations from the ideal of openness, and increasingly so today as university scientists are lured into deals with commercial organizations. But, by and large, basic research is aboveboard research, easily accessible in freely circulated scientific journals and openly discussed at scientific conferences. The United States leads the world in basic research.

Where the United States is not so strong, as presidential science adviser George A. Keyworth and others have pointed out, is in transforming scientific knowledge into marketable products, a function in which Japan excels, despite its backwardness in basic sciences.



"The Japanese have decided our secrets are worth stealing again."

While the Reagan administration's technologically illiterate hard-line regard fences and curtains as the solution to the problem, the people who really understand the innovation process know that the best way to stay ahead is to go faster. And to do that, it is necessary to shun oppressive security techniques that, though superficially attractive, can actually poison a fruitful research enterprise.

As Keyworth, who spent his career in a nuclear weapons lab before coming to his White House post, told a congressional hearing several months ago:

"It's easy and it's commonplace today for us to be asking ourselves how we can build barriers around our research institutions so that our trading partners and our potential enemies cannot benefit from our internal problems. We should focus more on getting this technology to the marketplace before it gets into someone else's marketplace, and

into our defense before it gets into someone else's military capability."

"Building isolationist barriers will in the long run only strangle us. I don't think we should focus much attention on the fact that basic research is rapidly embraced by Japan and put into the marketplace. What we should focus on is getting it into our marketplace."

The recently revealed Japanese depredations against U.S. science and technology are sure to fire up new demands for the barriers that Keyworth decried. It may be that industrial security could stand some tightening. But that's quite different from proposals, coming from high places, to restrain the free-wheeling interchange that keeps science bubbling.

In science and technology, as in other areas of life, it is better to be stolen from than to have to steal.

The writer is editor and publisher of an independent newsletter, Science & Government Report.

## Soviet Double Standard on Pacifism

By Leopold Unger

BRUSSELS — Uniting protector of the world pacifist movement, the Kremlin has just added a very Soviet touch to its effort. While 750,000 Americans and 200,000 Frenchmen demonstrated their opposition to nuclear armament and after hundreds of thousands of Germans rallied in Bonn to protest in front of President Reagan, in Moscow the KGB liquidated a small peace committee of Soviet citizens that during the seven days of its existence took up a number of innocuous goals not at all in opposition to the policies of Soviet President Leonid Brezhnev.

The committee set up shop on June 4 and the KGB operation took place on June 12. But the group of 11 artists and intellectuals managed to make its objective known: It sought to promote a climate of mutual confidence between the Soviet Union and the United States.

Its members believed that the people of the Soviet Union and the U.S. public should be more involved in the disarmament debate now monopolized by politicians, and that the question of mutual confidence — the question of survival — should not be only a problem of relations among governments.

There seems to be nothing there to raise the ire of the police. Yet the KGB assault came as no surprise to those familiar with the Soviet attitude toward the pacifist movement: It is noble and progressive west of the Elbe, but suspect and dangerous east of that frontier.

In the Eastern bloc, the World Peace Council, headed by Ramesh Chandra, an Indian Communist, has the monopoly on the struggle for peace. Mr. Chandra's movement is discreetly and cleverly manipulated by the Kremlin. The policies of the United States are its main — if not its only — target, while no political act of the Soviet Union, domestic or foreign, from the invasion of Hungary to

that of Afghanistan, has earned the slightest criticism of the Eastern establishment pacifists.

The council, which readily gives its support to leaders of anti-nuclear movements in the West, has never tried to defend or protect Andrei Sakharov, the Nobel laureate in internal exile, who is the only internationally known Soviet personality to have publicly opposed nuclear armament.

The Soviet branch of the council claims some 80 million members, who apparently feel that they cannot stand the competition from 11 intellectuals and artists in Moscow.

The 80 million official Soviet pacifists see the competition as dangerous, because the very idea of pacifism is intolerable if it interferes with the goals of the Kremlin. The Soviet military encyclopedia defines pacifism as a nonscientific movement, most of whose proponents "do not perceive the true causes and class-political nature of war." The danger of pacifism, the encyclopedia continues, "is that it distracts the masses from the true means of outlawing war."

Meanwhile, the Soviet Communist Party has called for a meeting, in nine years, of the secretaries of the army's local party units to discuss the lack of activism among Soviet youth. Nikolai Ogarkov, the Red Army's chief of general staff, declared that this meeting will be an opportunity to strike against "negative elements of pacifism" in propaganda aimed at youth.

Gen. Alexei Lizichev, the second in command of the political department of the army, has also denounced "a state of mind which can include feelings of pacifism," particularly in Soviet literature.

Not to be left out of this "scientific" debate, Izvestia, the Soviet gov-

ernment newspaper, has added a more sentimental outlook, pleading with parents in the Soviet Union "to inculcate in their children respect and love for their army."

It is by virtue of this double standard that the Soviet Peace Committee and its president, the former cosmonaut Valentina Tereshkova, who has unceasingly supported pacifists in New York, Paris and Bonn, approved the KGB decision to turn back the boat chartered by the Greenpeace environmental group when it tried to land in Leningrad with a crew of pacifists from eight countries bearing a message of peace for Mr. Brezhnev.

And it is in the same context that one must take the "March for Peace" that was scheduled to go from Copenhagen to Vienna through West Germany, East Germany and Czechoslovakia next month. It was supposed to be similar to last year's Copenhagen-Paris peace march, but it will not take place because the East German organizers claim they were informed of the plans too late.

Since 1979, the pacifist appeal has practically overshadowed all other tactical aspects of Soviet diplomacy in the West. The Kremlin is using all its psychological resources to achieve two goals: It is trying to hide the imbalance between freedom of expression for pacifists in the West and the East, and — even more pernicious — it is trying to create a moral asymmetry between the two systems and their international policies.

Mr. Brezhnev recently announced that the Soviet Union would not be the first to use atomic weapons. He called this decision "solemn, unconditional and irrevocable."

This stand, made before the United Nations, would have a chance of appearing more credible if Mr. Brezhnev's public declarations were in any way linked to his actions, particularly in his own nation.

International Herald Tribune

## Is 'Justice' of Insanity A Privilege of the Rich?

By Gregory Harris

LOS ANGELES — It was 9:30 p.m. and my phone rang. From the other end of the line, I knew right away what the verdict was in my brother's trial: guilty, not insane. Earlier that day, I had read that the Hinckley family had spent a reported half-million dollars to insure the kind of testimony that would prove their son insane. My family doesn't have that kind of money. We've never had that kind of money. But we have always had my little brother, Kenneth (not his real name), and we have known for a long time (he's 21) that something wasn't quite right with him.

Kenneth has always had a sexual-identity problem. I don't know how it relates to our father's desiring us when we were infants, but I'm sure it relates. Kenneth was the youngest of five boys. Could that have had anything to do with his sexual problems? I don't know. But perhaps to be homosexual in a family of heterosexual older brothers inspires fear and confusion. Maybe this is what made Kenneth want to hide, and deny, and repress himself.

He was difficult to live with, and I lived with him and his problems off and on for 20 years. He's had some help on occasion, but never enough to get to the core of what was bothering him. Eight years ago, we tried to get him to go to a mental-health clinic. We got as far as the door and he refused to go in. There was a shoving match, and I knew when I wrestled him to the ground that his problem was much worse than we thought. But we didn't force him. Maybe I should have tried harder.

We knew he needed help when he repressed his own repressed self and drove it through a security fence to get it out. We knew he needed help when he hid so cleverly and so consistently that his whole life became an untruth, impossible to sort out.

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## LETTERS TO THE EDITOR

### Braniff and Free Market

I would like to compliment The New York Times for its excellent commentary on Braniff's demise. "Requiem for an Airline" (IHT, May 17). I hope every member of Congress had a chance to read the editorial and grasp its message, for I fear there will soon be calls to re-regulate the airlines, and that would be a shame because that is the core of what we're fighting. Eight years ago, we tried to get him to go to a mental-health clinic. We got as far as the door and he refused to go in. There was a shoving match, and I knew when I wrestled him to the ground that his problem was much worse than we thought. But we didn't force him. Maybe I should have tried harder.

We knew he needed help when he repressed his own repressed self and drove it through a security fence to get it out. We knew he needed help when he hid so cleverly and so consistently that his whole life became an untruth, impossible to sort out.

One can point to the recession in the States and high fuel costs as factors that accelerated Braniff's failure but not as causes of its collapse, as some people seem to imply. If these factors had been absent it would have taken a little longer for Braniff to collapse but eventually it would have failed because it was not efficiently managing the economic resources it had acquired.

Certainly one has sympathy for Braniff's employees especially in hard times like these. But as The New York Times correctly pointed out, in a free market economy it is not the government's duty to provide for full employment.

Against the cries for re-regulation I point out the many failures in Europe (East and West) of well-intentioned governments trying to allocate scarce resources efficiently. I believe the lesson is clear: The invisible hand (profit motive), as Adam Smith put it, is the best method for allocating economic resources.

PETER WEISSMAN,

London.

### Falklands From Sweden

"Falkland Crisis Unravels Several Cherished Swedish Myths" (IHT, May 15-16) is a glaring example of an ugly journalistic habit. The so-called objectivity that forbids any outright condemnation of countries in which the major activity of the government is to starve and torture its citizens is suddenly thrown to the winds when Sweden, as if Sweden were outside the realm covered by journalism's self-proclaimed code of ethics. When in Sweden the journalist is entitled to

give full vent to his indignation and opinions, while supposedly reporting facts. He is entitled to be as nasty as any editorialist. Thus a country that shuns war — and, curiously, rarely finds itself in a position where it would need to wage war — the country that of all others allocates the largest percentage of its GNP to aiding developing nations, that country is the one you choose to point an accusing finger at. We're seeing the free market system work as it should. When capital is attracted to a venture that can't provide a satisfactory return, it should be employed elsewhere and the government should not support a misallocation of resources.

One can point to the recession in the States and high fuel costs as factors that accelerated Braniff's failure but not as causes of its collapse, as some people seem to imply. If these factors had been absent it would have taken a little longer for Braniff to collapse but eventually it would have failed because it was not efficiently managing the economic resources it had acquired.

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# BUSINESS / FINANCE

TUESDAY, JULY 6, 1982

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## BUSINESS BRIEFS

### Olivetti Proposes Rights Issue, Loan

IVREA, Italy — Olivetti S.p.A. said it plans to raise \$2.5 billion lire (\$38 million) through rights issues and 150 billion lire through a five-year loan issue. The move, subject to shareholder approval in September, would be the fourth capital increase in four years for the maker of office equipment.

Olivetti plans to offer 35 million nonconvertible savings shares at 1,500 lire each on the basis of one for every 10 common shares and one for every 45 13-percent convertible bonds.

The five-year loan will come from Italian and foreign banks, Olivetti said, but it gave no details on interest rates. The loan will be linked to a further issue of 66 million savings shares reserved for purchase by the banks at 2,250 lire apiece.

### Merrill, Sun Hung Kai Plan Ventures

HONG KONG — Merrill Lynch & Co. will form joint ventures here with Sun Hung Kai Securities Ltd. in commodities and securities, the two companies said Monday.

The ventures, Merrill Lynch Sun Hung Kai Overseas Securities Co. and Sun Hung Kai Merrill Lynch Commodities Co., will be owned 60 percent by SHKS and 40 percent by Merrill Lynch, William Arthur, chairman of Merrill Lynch International, said at a news conference.

Merrill Lynch last month bought 25 percent of Sun Hung Kai Securities and 15 percent of Sun Hung Kai Bank.

### BICC, Dominion Bridge Win Order

LONDON — Balfour Beatty Ltd., a subsidiary of BICC, said Monday that it and Dominion Bridge Ltd. of Toronto have won a contract to build jointly a coal port for the Indonesian government.

The contract, valued at an estimated \$70 million, forms part of a \$2-billion program to increase electricity output on Java by using coal from the nearby island of Sumatra.

Compiled by Our Staff From Dispatches

## Hitachi's Bright Star Loses a Little Shine

By Steve Lohr  
New York Times Service

TOKYO — The computer espionage case has tarnished Hitachi with the image of a company that was eager to buy the technological skill of a rival, presumably because its researchers could not come up with that information by themselves. Yet, in Japan, Hitachi's reputation is just the opposite.

Hitachi, perhaps more than any other company, is seen as leading the Japanese drive to develop new technology. It is the top company in terms of patents registered, with more than 57,000 registered in the 1977-80 period. The more than 10,000 staff members in its 13 laboratories have a good track record in developing innovations in a wide range of fields, including computers, semiconductors and robotics.

In financial circles, too, Hitachi is regarded as one of Japan's brightest stars. When executives from Nomura Securities and other major brokerage houses are trying to convince foreign investors to funnel money into the Japanese stock market, Hitachi is the example most frequently used, and with some success. For example, Credit Suisse's 2.4 percent holding of Hitachi shares is said to be largely for Middle East investors.

Hitachi, a maker of electrical and electronic products, is not No. 1 in many major businesses, but it has strong positions in several fields and chalks up annual sales of more than \$15 billion. It is a healthy computer, semiconductor and electrical goods manufacturer — smaller versions of International Business Machines, Texas Instruments and General Electric rolled into one.

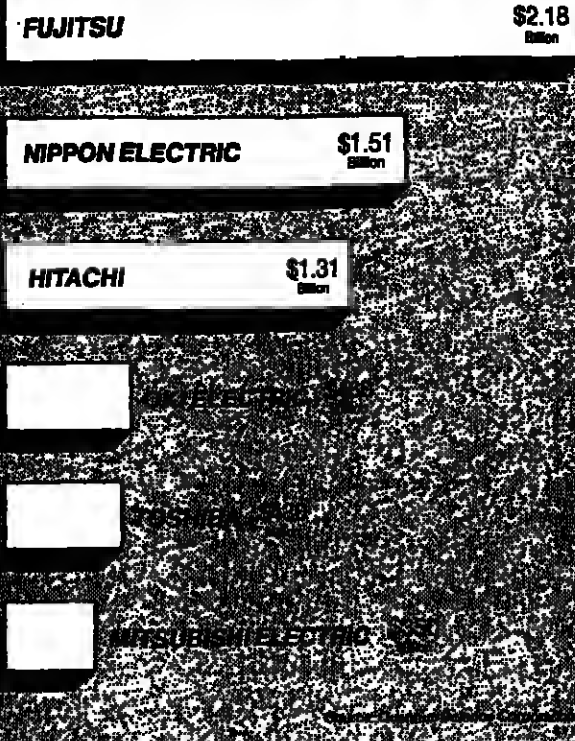
In recent years, as it has pushed hard in computers and semiconductors, Hitachi's research and development spending has soared, about doubling since 1977 to \$666 million in the fiscal year ended March 31.

"Hitachi has generally been a leader in introducing new technology,"

(Continued on Page 9, Col. 5)

### Japan's Leading Computer Makers

Based on fiscal 1981 sales of computers and peripherals



The New York Times

## France and EEC Reach Compromise On Steel Price Rise

By Roger Cohen  
Reuters

BRUSSELS — France has agreed to raise its steel export prices, averting a break with the coordinated policies of European Economic Community steel companies, an EEC spokesman said Monday.

The French earlier said they could not raise their prices because of the country's wage-price freeze, which runs through October. But urgent talks during the weekend produced an accord under which French steelmakers are to raise export prices by at least 20 Deutsche marks (\$8.10) a metric ton but keep domestic prices at their present levels.

"This accord has been reached on condition that French steel companies do not increase their share of the national market," the EEC spokesman said.

The EEC steelmaker association Eurofer had agreed to impose a community-wide price rise averaging 20 DM a ton on July 1. Eurofer plans to increase prices by 15 to 18 percent this year from the average of 140 DM at the end of last year.

Coordinated price rises, which have lifted EEC prices about 20 percent over the past year, are a vital part of the EEC recovery program, which is aimed at a return to profitability by 1985. French defiance of the price program would have posed a severe threat to the unity of community steelmakers, already under pressure as a result of U.S. curbs on European steel exports.

Officials said the agreement probably will ease a West German threat, made last week, to impose quotas or duties on steel imports from other community countries. West Germany's industry minister, Otto Lambsdorff, is believed to have held up this possibility partly as a result of the French stand on prices.

The agreement with France states that the unity of the EEC steel market is essential and can be preserved only through a coordinated policy on prices, the community spokesman said.

### Markets Closed

All banks and financial markets in the United States were closed Monday for the Independence Day holiday.

nity spokesman said. It was reached by the EEC's industry commissioner, Etienne Davignon, and France's industry minister, Jean-Pierre Chevènement.

The spokesman said French steel prices on exports might be increased by as much as \$15, to compensate for the accumulated advantage gained by two devaluations of the franc in the past nine months.

Officials said these devaluations had not been fully reflected in the steel price rises applied so far this year by French companies.

For its part, France had argued that the July 1 increase would threaten the competitive advantage on exports gained through last month's 10-percent devaluation of the franc against the mark.

The agreement coincided with the publication of a commission statement on steel in which Mr. Davignon described prospects for the industry in the third quarter as "the worst for a very long time." He cited the normal slowing of demand during the summer and already high inventories.

The commission has ordered steelmakers to cut output 35 to 47 percent on some items during the quarter, compared with cuts of 22 to 38 percent in the second quarter.

Mr. Davignon also reiterated the EEC's vehement protests against U.S. Commerce Department rulings setting special duties on European steel imports. "These in effect show the willingness of the United States to ignore the legitimate interests of its European partners," Mr. Davignon said.

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## British Economists Say Strong Dollar, Slump In U.S. Impede Upturn

By Steven Ratner  
New York Times Service

LONDON — British economists fear that the strong dollar and weak U.S. economy will significantly impede Britain's progress toward recovery.

Such worries have surfaced repeatedly here in the last year but they appear to be particularly strong at the moment because the economic rebound, which was pronounced earlier in the year, seems to have faltered.

"The third quarter is likely to be very difficult for British economic policy," said Paul Nield, chief economist at Phillips & Drew, a stock brokerage. "The activity profile is looking pretty soft."

Early this week the Confederation of British Industry, Britain's largest business group, reported in its monthly survey that new orders had stopped rising, its gloomiest report since last winter. Most statistical indicators of growth have been flat and the balance of trade has been worsening. Unemployment has resumed rising, and is again above 3 million.

### Ease in Monetary Policy Seen

Most economists say the government, faced with weakening business conditions and aided by a faster-than-expected fall in inflation, will be likely to ease monetary policy in order to raise interest rates, now at 12 percent for the most creditworthy borrowers.

But now a move to lower rates appears to be out of the picture because it would almost certainly cause the pound to fall further against the dollar. Indeed, in recent days, the Bank of England has moved to raise interest rates slightly in order to help the pound, which at one point was at a five-year low against the dollar. The pound closed Monday at about \$1.73.

Britain fears a strong dollar because it adds means higher prices for imports from the United States and also for goods priced in dollars, including most commodities. Even the price of oil from the North Sea is sold at a price specified in dollars and rises when the dollar strengthens.

"The dollar is overwhelmingly the most important currency for us in terms of inflation, despite the fact that only one-tenth of our trade is with the United States," said Gavin Davies, chief economist at Simon & Coates, a stock brokerage.

Mr. Davies estimated that 60 percent of all British imports are priced in dollars and that a decline of 5 cents in the value of the pound, as has occurred since mid-June, would add 1/2 percentage point to the price level in Britain in the following nine months.

For the moment, inflation is not Britain's principal worry. The rate of price increase has dropped below double digits and the Treasury is preparing a more optimistic forecast of price movements that reportedly will predict an inflation rate of 8 percent by year-end, 1/2 percentage points below the March forecast.

Prime Minister Margaret Thatcher's goal is to protect this gain in the outlook for prices, rather than risk it by permitting the pound to fall.

The pound has been falling for more than a year but has only recently become a matter of substantial concern. Much of the decline, from a peak of just under \$2.45, was welcomed because the high pound, which resulted from high interest rates and North Sea oil,

made it exceedingly difficult for British exporters to compete on world markets. The British government tacitly accepted most of sterling's fall but appeared to have felt that \$1.80 was a proper level for the pound.

### Limiting Scope for Reaction

"We suffered from high sterling, and the effect of high American interest rates has been to reduce the strength of sterling," said Andrew Richardson, chief economist at J. Henry Schroder Wagg, "increasingly it's become worrisome because, the fact that U.S. interest rates were so high is starting to limit the scope authorities have for reaction," he added. Now most economists think the government would be unwilling to see the pound drop below \$1.60 to \$1.65.

The fall in the pound has become so worrisome that the British government has spent considerable sums to defend it — a total of \$908 million in the three months from April to June, according to Bank of England figures. Much of that was probably spent to defend the pound against the dollar because sterling has held up relatively well against other major currencies.

Part of the expenditure to defend the pound was made to calm jittery markets during the Falkland crisis. But otherwise, the crisis has had little impact on the British economy and is not being blamed for the current sluggishness.

Economists here are also concerned about the impact on Britain of the lack of growth in most other industrial countries, particularly the United States. Continuing stagnation in these nations hurts Britain because it makes it more difficult for Britain to sell its exports. Britain still exports a higher percentage of its manufactured goods than any other major country.

This phenomenon may be partly responsible for the worsening in the British balance of payments in recent months. Imports have also been rising, which may reflect greater efforts by recession-plagued countries to export.

Simon & Coates, for example, projected recently that the British current-account surplus would fall to \$3.46 billion in 1982 from \$13.49 billion last year. By 1983, the balance of payments could be in deficit, according to the stock brokerage concern.

"We were supposed to be the first European country out of recession," said Mr. Davies, the firm's chief economist. "Now it looks like we'll be recovering at the same time as France and Germany."

### Wholesale Prices Rise

LONDON (Reuters) — Wholesale prices of manufactured goods in Britain rose 0.4 percent in June from May and were up 8.2 percent from a year earlier, the Department of Industry reported.

## CURRENCY RATES

Interbank exchange rates for July 5, excluding bank service charges.

|              | \$   | £    | DM   | FF   | Y    | Sc   | Sw   | N    | DK   |
|--------------|------|------|------|------|------|------|------|------|------|
| Amsterdam    | 2.23 | 1.17 | 1.17 | 1.17 | 1.17 | 1.17 | 1.17 | 1.17 | 1.17 |
| Bremen (a)   | 2.23 | 1.17 | 1.17 | 1.17 | 1.17 | 1.17 | 1.17 | 1.17 | 1.17 |
| Frankfurt    | 2.23 | 1.17 | 1.17 | 1.17 | 1.17 | 1.17 | 1.17 | 1.17 | 1.17 |
| London (b)   | 1.73 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Paris        | 1.73 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Stockholm    | 1.73 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Switzerland  | 1.73 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| West Germany | 1.73 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Yokohama     | 1.73 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| 1 USD        | 1.73 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |

## Slump, U.S. Curbs Unhinge Plan For Reviving U.K. Steel Industry

By Paul Iredale  
Reuters

LONDON — The British steel industry, fighting to regain profitability despite falling demand, is reeling from the Reagan administration's decision to charge duties on steel exports to the United States.

The British government has said it will not back U.S. demands for international trade reforms while the 40-percent duty remains in force. The leader of the steelworkers' union, Bill Sims, has even suggested a boycott of U.S. goods sold in British shops to retaliate.

British Steel Corp. is trying to play down the dispute, hoping that negotiations with the United States will lead to a compromise.

For state-owned BSC, the U.S.

move came at a particularly bad time. Demand in the second quarter fell an estimated 30 percent from the first, setting back the company's hopes of breaking even for the first time in five years. The fall in demand has revived discussion at BSC about closing one of Britain's five bulk steelmaking plants.

The United States imposed the levy after U.S. steelmakers complained of unfair competition. BSC products were singled out as having been the most heavily subsidized, and a 40.4-percent levy was imposed on as much as 200,000 metric tons a year of British steel. French and Belgian products face 20- to 30-percent levies, while the surcharge on West German steel is less than 10 percent.

Britain's trade minister, Lord Cockfield, protesting to the U.S. ambassador, said the imposition of the duty ignored the fact that subsidies to BSC were aimed at cutting capacity and reducing manpower, which benefits U.S. producers.

The corporation has made great strides in streamlining and productivity since a 13-week national strike in 1980 hastened the pace of layoffs and eroded BSC's share of the market. At the time of the strike it took more than 14 man-hours to produce a ton of steel; now it takes just over eight.

The BSC work force, which stood at 166,000 in March, 1980, is down to 104,300.

The corporation has rebuilt its share of the market and, before the recent setbacks, BSC officials had

set March, 1982, as the target break-even point for the industry. After the 1980 strike, the British government called in Ian MacGregor, a former president of Amalgamated Steelworkers of America, to put BSC back on its feet.

Mr. MacGregor inherited a business that was a shadow of its former self, with shrinking order books and a loss of £545 million (\$944 million) in the year ended in March, 1980. The next year, when the effects of the strike had filtered through, BSC lost a record £668 million. Results for the year ended last March are due to be released later this month.

Before the 1974 surge in oil prices, BSC planned to building plants and raising British production to 33 million tons a year from 27 million. But as the recession bit deep into world demand for steel, BSC shelved its expansion plans and began to reduce its operations.

By the time of the 1980 strike, manned capacity at BSC was down to 15 million tons, and the work force had been cut to 166,000 from 210,000.

The severity of the pruning was due in part to the depth of the British recession. Output of cars and engineering products, heavy users of steel, has plummeted in the past decade.

"The great tragedy of British steel is not the decline of the British Steel Corp. but the decline in the British manufacturing industries," Mr. MacGregor said recently.

Steel consumption in Britain has

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### Japan Auto Registrations

TOKYO — New vehicle registrations in June totaled 347,900, up 21 percent from May and 9 percent from June, 1981, the Japan Automobile Dealers' Association said Monday.

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|----|--------|--------|--------|--------|--------|--------|
| 1M | 15 1/8 | 15 1/8 | 15 1/8 | 15 1/8 | 15 1/8 | 15 1/8 |
| 3M | 15 1/8 | 15 1/8 | 15 1/8 | 15 1/8 | 15 1/8 | 15 1/8 |
| 6M | 15 1/8 | 15 1/8 | 15 1/8 | 15 1/8 | 15 1/8 | 15 1/8 |
| 1Y | 15 1/8 | 15 1/8 | 15 1/8 | 15 1/8 | 15 1/8 | 15 1/8 |

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International Herald Tribune

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## ADVERTISEMENT

CANADIAN PACIFIC ENTERPRISES LTD.  
(CORP.)

The undersigned announces that the address of the Company as well as of the Canadian will be changed as follows on or 30th June, 1982:

Company  
Canadian Pacific Enterprises Limited,  
Suite 2500, One Palliser Square,  
125-9th Avenue, S.E.,  
Calgary, Alberta T2C 0P6.

Canadian  
Montreal Trust Company,  
411-8th Avenue, S.W.,  
Calgary, Alberta T2P 1E7.

## AMSTERDAM DEPOSITARY COMPANY N.V.

**Gold Options (Price in \$/oz.)**

| Price | Aug.        | Sept.       | Oct.        |
|-------|-------------|-------------|-------------|
| 30    | 15.50-15.55 | 20.50-20.55 | 34.50-34.55 |
| 30    | 7.50-7.55   | 21.00-21.05 | 34.50-34.55 |
| 30    | 3.50-3.55   | 21.00-21.05 | 34.50-34.55 |
| 30    | 1.50-1.55   | 21.00-21.05 | 34.50-34.55 |
| 30    | 0.50-0.55   | 21.00-21.05 | 34.50-34.55 |

**Valeurs White Weld S.A.**  
1, Quai de Mont-Blanc  
1211 Geneva 1, Switzerland  
Tel. 31 02 51 - Telex 28 385

## Paris Commodities July 5

|          | High  | Low   | Close |
|----------|-------|-------|-------|
| SUGAR    | 15.80 | 15.70 | 15.75 |
| COFFEE   | 1.10  | 1.08  | 1.09  |
| WHEAT    | 1.10  | 1.08  | 1.09  |
| BARLEY   | 1.10  | 1.08  | 1.09  |
| RYE      | 1.10  | 1.08  | 1.09  |
| MAIZE    | 1.10  | 1.08  | 1.09  |
| SOYBEANS | 1.10  | 1.08  | 1.09  |
| WHEAT    | 1.10  | 1.08  | 1.09  |
| BARLEY   | 1.10  | 1.08  | 1.09  |
| RYE      | 1.10  | 1.08  | 1.09  |
| MAIZE    | 1.10  | 1.08  | 1.09  |
| SOYBEANS | 1.10  | 1.08  | 1.09  |

## Gold Markets July 5

|           | High  | Low   | Close |
|-----------|-------|-------|-------|
| Gold      | 15.80 | 15.70 | 15.75 |
| Silver    | 1.10  | 1.08  | 1.09  |
| Palladium | 1.10  | 1.08  | 1.09  |
| Rhodium   | 1.10  | 1.08  | 1.09  |
| Platinum  | 1.10  | 1.08  | 1.09  |
| Gold      | 15.80 | 15.70 | 15.75 |
| Silver    | 1.10  | 1.08  | 1.09  |
| Palladium | 1.10  | 1.08  | 1.09  |
| Rhodium   | 1.10  | 1.08  | 1.09  |
| Platinum  | 1.10  | 1.08  | 1.09  |

## London July 5

|           | High  | Low   | Close |
|-----------|-------|-------|-------|
| Gold      | 15.80 | 15.70 | 15.75 |
| Silver    | 1.10  | 1.08  | 1.09  |
| Palladium | 1.10  | 1.08  | 1.09  |
| Rhodium   | 1.10  | 1.08  | 1.09  |
| Platinum  | 1.10  | 1.08  | 1.09  |

## Amsterdam July 5

|          | High  | Low   | Close |
|----------|-------|-------|-------|
| SUGAR    | 15.80 | 15.70 | 15.75 |
| COFFEE   | 1.10  | 1.08  | 1.09  |
| WHEAT    | 1.10  | 1.08  | 1.09  |
| BARLEY   | 1.10  | 1.08  | 1.09  |
| RYE      | 1.10  | 1.08  | 1.09  |
| MAIZE    | 1.10  | 1.08  | 1.09  |
| SOYBEANS | 1.10  | 1.08  | 1.09  |
| WHEAT    | 1.10  | 1.08  | 1.09  |
| BARLEY   | 1.10  | 1.08  | 1.09  |
| RYE      | 1.10  | 1.08  | 1.09  |
| MAIZE    | 1.10  | 1.08  | 1.09  |
| SOYBEANS | 1.10  | 1.08  | 1.09  |

## Brussels July 5

|          | High  | Low   | Close |
|----------|-------|-------|-------|
| SUGAR    | 15.80 | 15.70 | 15.75 |
| COFFEE   | 1.10  | 1.08  | 1.09  |
| WHEAT    | 1.10  | 1.08  | 1.09  |
| BARLEY   | 1.10  | 1.08  | 1.09  |
| RYE      | 1.10  | 1.08  | 1.09  |
| MAIZE    | 1.10  | 1.08  | 1.09  |
| SOYBEANS | 1.10  | 1.08  | 1.09  |
| WHEAT    | 1.10  | 1.08  | 1.09  |
| BARLEY   | 1.10  | 1.08  | 1.09  |
| RYE      | 1.10  | 1.08  | 1.09  |
| MAIZE    | 1.10  | 1.08  | 1.09  |
| SOYBEANS | 1.10  | 1.08  | 1.09  |

## Frankfurt July 5

|          | High  | Low   | Close |
|----------|-------|-------|-------|
| SUGAR    | 15.80 | 15.70 | 15.75 |
| COFFEE   | 1.10  | 1.08  | 1.09  |
| WHEAT    | 1.10  | 1.08  | 1.09  |
| BARLEY   | 1.10  | 1.08  | 1.09  |
| RYE      | 1.10  | 1.08  | 1.09  |
| MAIZE    | 1.10  | 1.08  | 1.09  |
| SOYBEANS | 1.10  | 1.08  | 1.09  |
| WHEAT    | 1.10  | 1.08  | 1.09  |
| BARLEY   | 1.10  | 1.08  | 1.09  |
| RYE      | 1.10  | 1.08  | 1.09  |
| MAIZE    | 1.10  | 1.08  | 1.09  |
| SOYBEANS | 1.10  | 1.08  | 1.09  |

## London July 5

|          | High  | Low   | Close |
|----------|-------|-------|-------|
| SUGAR    | 15.80 | 15.70 | 15.75 |
| COFFEE   | 1.10  | 1.08  | 1.09  |
| WHEAT    | 1.10  | 1.08  | 1.09  |
| BARLEY   | 1.10  | 1.08  | 1.09  |
| RYE      | 1.10  | 1.08  | 1.09  |
| MAIZE    | 1.10  | 1.08  | 1.09  |
| SOYBEANS | 1.10  | 1.08  | 1.09  |
| WHEAT    | 1.10  | 1.08  | 1.09  |
| BARLEY   | 1.10  | 1.08  | 1.09  |
| RYE      | 1.10  | 1.08  | 1.09  |
| MAIZE    | 1.10  | 1.08  | 1.09  |
| SOYBEANS | 1.10  | 1.08  | 1.09  |

## Other Markets July 5

|          | High  | Low   | Close |
|----------|-------|-------|-------|
| SUGAR    | 15.80 | 15.70 | 15.75 |
| COFFEE   | 1.10  | 1.08  | 1.09  |
| WHEAT    | 1.10  | 1.08  | 1.09  |
| BARLEY   | 1.10  | 1.08  | 1.09  |
| RYE      | 1.10  | 1.08  | 1.09  |
| MAIZE    | 1.10  | 1.08  | 1.09  |
| SOYBEANS | 1.10  | 1.08  | 1.09  |
| WHEAT    | 1.10  | 1.08  | 1.09  |
| BARLEY   | 1.10  | 1.08  | 1.09  |
| RYE      | 1.10  | 1.08  | 1.09  |
| MAIZE    | 1.10  | 1.08  | 1.09  |
| SOYBEANS | 1.10  | 1.08  | 1.09  |

## Singapore July 5

|          | High  | Low   | Close |
|----------|-------|-------|-------|
| SUGAR    | 15.80 | 15.70 | 15.75 |
| COFFEE   | 1.10  | 1.08  | 1.09  |
| WHEAT    | 1.10  | 1.08  | 1.09  |
| BARLEY   | 1.10  | 1.08  | 1.09  |
| RYE      | 1.10  | 1.08  | 1.09  |
| MAIZE    | 1.10  | 1.08  | 1.09  |
| SOYBEANS | 1.10  | 1.08  | 1.09  |
| WHEAT    | 1.10  | 1.08  | 1.09  |
| BARLEY   | 1.10  | 1.08  | 1.09  |
| RYE      | 1.10  | 1.08  | 1.09  |
| MAIZE    | 1.10  | 1.08  | 1.09  |
| SOYBEANS | 1.10  | 1.08  | 1.09  |

## Sydney July 5

|          | High  | Low   | Close |
|----------|-------|-------|-------|
| SUGAR    | 15.80 | 15.70 | 15.75 |
| COFFEE   | 1.10  | 1.08  | 1.09  |
| WHEAT    | 1.10  | 1.08  | 1.09  |
| BARLEY   | 1.10  | 1.08  | 1.09  |
| RYE      | 1.10  | 1.08  | 1.09  |
| MAIZE    | 1.10  | 1.08  | 1.09  |
| SOYBEANS | 1.10  | 1.08  | 1.09  |
| WHEAT    | 1.10  | 1.08  | 1.09  |
| BARLEY   | 1.10  | 1.08  | 1.09  |
| RYE      | 1.10  | 1.08  | 1.09  |
| MAIZE    | 1.10  | 1.08  | 1.09  |
| SOYBEANS | 1.10  | 1.08  | 1.09  |

## Tokyo July 5

|          | High  | Low   | Close |
|----------|-------|-------|-------|
| SUGAR    | 15.80 | 15.70 | 15.75 |
| COFFEE   | 1.10  | 1.08  | 1.09  |
| WHEAT    | 1.10  | 1.08  | 1.09  |
| BARLEY   | 1.10  | 1.08  | 1.09  |
| RYE      | 1.10  | 1.08  | 1.09  |
| MAIZE    | 1.10  | 1.08  | 1.09  |
| SOYBEANS | 1.10  | 1.08  | 1.09  |
| WHEAT    | 1.10  | 1.08  | 1.09  |
| BARLEY   | 1.10  | 1.08  | 1.09  |
| RYE      | 1.10  | 1.08  | 1.09  |
| MAIZE    | 1.10  | 1.08  | 1.09  |
| SOYBEANS | 1.10  | 1.08  | 1.09  |

## Floating Rate Notes

|          | High  | Low   | Close |
|----------|-------|-------|-------|
| SUGAR    | 15.80 | 15.70 | 15.75 |
| COFFEE   | 1.10  | 1.08  | 1.09  |
| WHEAT    | 1.10  | 1.08  | 1.09  |
| BARLEY   | 1.10  | 1.08  | 1.09  |
| RYE      | 1.10  | 1.08  | 1.09  |
| MAIZE    | 1.10  | 1.08  | 1.09  |
| SOYBEANS | 1.10  | 1.08  | 1.09  |
| WHEAT    | 1.10  | 1.08  | 1.09  |
| BARLEY   | 1.10  | 1.08  | 1.09  |
| RYE      | 1.10  | 1.08  | 1.09  |
| MAIZE    | 1.10  | 1.08  | 1.09  |
| SOYBEANS | 1.10  | 1.08  | 1.09  |

## London July 5

|          | High  | Low   | Close |
|----------|-------|-------|-------|
| SUGAR    | 15.80 | 15.70 | 15.75 |
| COFFEE   | 1.10  | 1.08  | 1.09  |
| WHEAT    | 1.10  | 1.08  | 1.09  |
| BARLEY   | 1.10  | 1.08  | 1.09  |
| RYE      | 1.10  | 1.08  | 1.09  |
| MAIZE    | 1.10  | 1.08  | 1.09  |
| SOYBEANS | 1.10  | 1.08  | 1.09  |
| WHEAT    | 1.10  | 1.08  | 1.09  |
| BARLEY   | 1.10  | 1.08  | 1.09  |
| RYE      | 1.10  | 1.08  | 1.09  |
| MAIZE    | 1.10  | 1.08  | 1.09  |
| SOYBEANS | 1.10  | 1.08  | 1.09  |

## London July 5

|          | High  | Low   | Close |
|----------|-------|-------|-------|
| SUGAR    | 15.80 | 15.70 | 15.75 |
| COFFEE   | 1.10  | 1.08  | 1.09  |
| WHEAT    | 1.10  | 1.08  | 1.09  |
| BARLEY   | 1.10  | 1.08  | 1.09  |
| RYE      | 1.10  | 1.08  | 1.09  |
| MAIZE    | 1.10  | 1.08  | 1.09  |
| SOYBEANS | 1.10  | 1.08  | 1.09  |
| WHEAT    | 1.10  | 1.08  | 1.09  |
| BARLEY   | 1.10  | 1.08  | 1.09  |
| RYE      | 1.10  | 1.08  | 1.09  |
| MAIZE    | 1.10  | 1.08  | 1.09  |
| SOYBEANS | 1.10  | 1.08  | 1.09  |

## London July 5

|          | High  | Low   | Close |
|----------|-------|-------|-------|
| SUGAR    | 15.80 | 15.70 | 15.75 |
| COFFEE   | 1.10  | 1.08  | 1.09  |
| WHEAT    | 1.10  | 1.08  | 1.09  |
| BARLEY   | 1.10  | 1.08  | 1.09  |
| RYE      | 1.10  | 1.08  | 1.09  |
| MAIZE    | 1.10  | 1.08  | 1.09  |
| SOYBEANS | 1.10  | 1.08  | 1.09  |
| WHEAT    | 1.10  | 1.08  | 1.09  |
| BARLEY   | 1.10  | 1.08  | 1.09  |
| RYE      | 1.10  | 1.08  | 1.09  |
| MAIZE    | 1.10  | 1.08  | 1.09  |
| SOYBEANS | 1.10  | 1.08  | 1.09  |

## Canadian Stock Markets July 2

|          | High  | Low   | Close |
|----------|-------|-------|-------|
| SUGAR    | 15.80 | 15.70 | 15.75 |
| COFFEE   | 1.10  | 1.08  | 1.09  |
| WHEAT    | 1.10  | 1.08  | 1.09  |
| BARLEY   | 1.10  | 1.08  | 1.09  |
| RYE      | 1.10  | 1.08  | 1.09  |
| MAIZE    | 1.10  | 1.08  | 1.09  |
| SOYBEANS | 1.10  | 1.08  | 1.09  |
| WHEAT    | 1.10  | 1.08  | 1.09  |
| BARLEY   | 1.10  | 1.08  | 1.09  |
| RYE      | 1.10  | 1.08  | 1.09  |
| MAIZE    | 1.10  | 1.08  | 1.09  |
| SOYBEANS | 1.10  | 1.08  | 1.09  |

## London July 5

|          | High  | Low   | Close |
|----------|-------|-------|-------|
| SUGAR    | 15.80 | 15.70 | 15.75 |
| COFFEE   | 1.10  | 1.08  | 1.09  |
| WHEAT    | 1.10  | 1.08  | 1.09  |
| BARLEY   | 1.10  | 1.08  | 1.09  |
| RYE      | 1.10  | 1.08  | 1.09  |
| MAIZE    | 1.10  | 1.08  | 1.09  |
| SOYBEANS | 1.10  | 1.08  | 1.09  |
| WHEAT    | 1.10  | 1.08  | 1.09  |
| BARLEY   | 1.10  | 1.08  | 1.09  |
| RYE      | 1.10  | 1.08  | 1.09  |
| MAIZE    | 1.10  | 1.08  | 1.09  |
| SOYBEANS | 1.10  | 1.08  | 1.09  |

## London July 5

|          | High  | Low   | Close |
|----------|-------|-------|-------|
| SUGAR    | 15.80 | 15.70 | 15.75 |
| COFFEE   | 1.10  | 1.08  | 1.09  |
| WHEAT    | 1.10  | 1.08  | 1.09  |
| BARLEY   | 1.10  | 1.08  | 1.09  |
| RYE      | 1.10  | 1.08  | 1.09  |
| MAIZE    | 1.10  | 1.08  | 1.09  |
| SOYBEANS | 1.10  | 1.08  | 1.09  |
| WHEAT    | 1.10  | 1.08  | 1.09  |
| BARLEY   | 1.10  | 1.08  | 1.09  |
| RYE      | 1.10  | 1.08  | 1.09  |
| MAIZE    | 1.10  | 1.08  | 1.09  |
| SOYBEANS | 1.10  | 1.08  | 1.09  |

## London July 5

|          | High  | Low   | Close |
|----------|-------|-------|-------|
| SUGAR    | 15.80 | 15.70 | 15.75 |
| COFFEE   | 1.10  | 1.08  | 1.09  |
| WHEAT    | 1.10  | 1.08  | 1.09  |
| BARLEY   | 1.10  | 1.08  | 1.09  |
| RYE      | 1.10  | 1.08  | 1.09  |
| MAIZE    | 1.10  | 1.08  | 1.09  |
| SOYBEANS | 1.10  | 1.08  | 1.09  |
| WHEAT    | 1.10  | 1.08  | 1.09  |
| BARLEY   | 1.10  | 1.08  | 1.09  |
| RYE      | 1.10  | 1.08  | 1.09  |
| MAIZE    | 1.10  | 1.08  | 1.09  |
| SOYBEANS | 1.10  | 1.08  | 1.09  |



## U.S. Firm Has Faith In Sun-Kissed Future

By Robert D. Hershey Jr.  
New York Times Service

TRENTON, N.J. — The company's office does not look like much, just a one-story brick structure with a series of hastily built extensions tumbling out the back. Inside, Zoltan J. Kiss, a former professional soccer player whose last business venture ended in a bankruptcy filing, munches on a sandwich at his desk while explaining how his six-year-old company lost about \$1.5 million in the past year.

Despite the loss, Mr. Kiss and his company believe that their field of solar-powered electricity is ripe for commercial use, although it is thought generally that such applications are decades away. And Mr. Kiss is also convinced that his Chronar Corp. may beat even the mighty Japanese to the punch. Mr. Kiss is president of Chronar, which has 45 employees.

Mr. Kiss has developed what appears to be an important breakthrough in photovoltaics, a marriage of energy and electronics that produces electricity from sunlight. "The manufacturing cost is already below today's conventional use of electricity," he said, and he expects further advances in the field to come quickly.

With an initial investment of \$50,000 and total outlays of about \$2 million, much of it from Mr. Kiss's earlier pioneering work with digital watches, Chronar has gone on to engage Merrill Lynch, Pierce, Fenner & Smith to coordinate its marketing and capital-raising efforts. Merrill Lynch said the company may have as much as a two-year lead over its competition.

Very Excited  
Another enthusiast is Herbert D. Levine, president of Herbert Young Securities, which managed Chronar's first public stock offering last year and which owns some stock-purchase warrants.

"I've been underwriting companies for over 20 years, and I don't think I've ever been more excited about an industry or a company than Chronar," Mr. Levine said. He described his technology as "a major breakthrough."

Others are not so sure. Elliot Berman, chief scientist at Arco Solar Industries in Chatsworth, Calif., was interested enough to order some Chronar material to evaluate it. He said he has a high regard for Mr. Kiss's scientific ability.

But Mr. Berman wondered whether Chronar is really ahead of the field. "I still think it's a horse race," Mr. Berman said, with the Japanese in the lead. "If anybody is ahead, they are," he said.

There are several other U.S. companies active in photovoltaics, including affiliates of Exxon, At-

lantic Richfield, Westinghouse and RCA, which once employed Mr. Kiss as director of electronic research.

Most of those companies have focused on the so-called single crystal silicon technology, whose cost has been cut to \$100 a peak watt from more than \$1,000 a peak watt 20 years ago. Chronar thinks this technology will not be made commercially competitive soon. A peak watt is the unit of electricity produced by a cell at maximum solar intensity — noon on a clear day.

The Japanese, like Chronar, have decided to concentrate instead on amorphous silicon, a process in which the atoms are arranged at random rather than in a crystalline pattern. Mr. Kiss thinks Chronar has an advantage in its development of a proprietary way to inexpensively produce the semiconductor thin film that converts sunlight to electricity.

This process, already used in other fields, is called chemical vapor deposition. By contrast, the Japanese use what is called glow discharge deposition, which RCA developed.

At a trade show in Houston last month, Chronar began offering to deliver electric systems — not to be confused with other solar technologies such as passive hot water heating — for as little as \$4 a peak watt. That is less than the cost of electricity from a new nuclear plant and is competitive with electricity fired by oil.

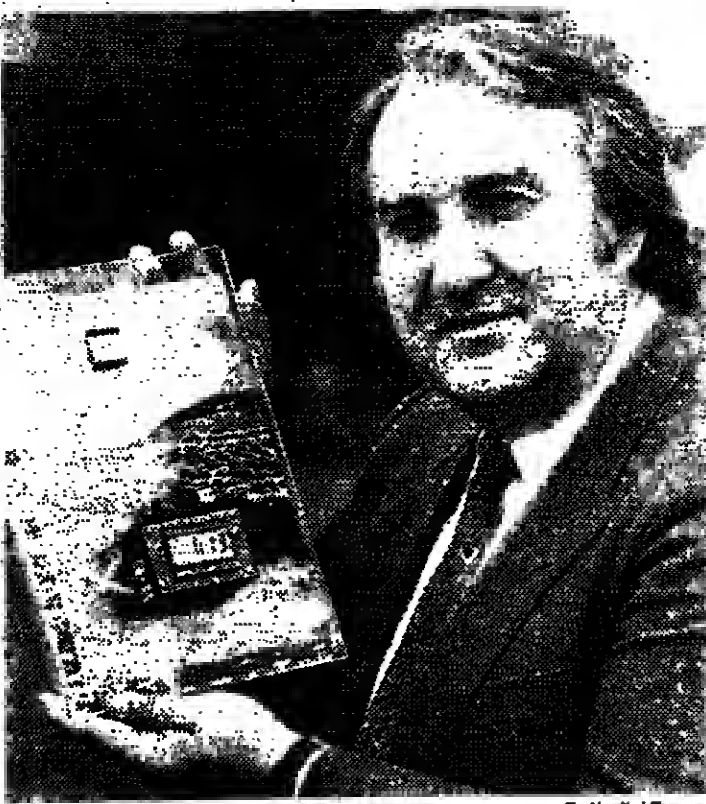
By 1985, Chronar believes it will have charged this cost to 50 cents a peak watt, and by 1990 it projects a cost of just 30 cents. If this is achieved, solar electricity could be firmly entrenched as an energy source.

"The crossover point in our opinion should occur at a module cost of approximately 70 cents per peak watt," Robert L. San Martin of the Department of Energy told Congress in September. At 40 cents or less, he added, sun-powered electricity could "broadly exploit" utility markets and prompt the installation of solar panels on today's homes.

According to Joseph Lindmeyer, founder-president of Solarex Corp., now 30 percent owned by Standard Oil of Indiana, "the problem with it is that the efficiency is very low" in amorphous silicon.

Mr. Lindmeyer, whose company has worked on this technology for years, also said there is a problem of keeping the material's properties from changing when deployed. "It can only be regarded at the moment as a research approach," he said.

Mr. Kiss, a 50-year-old native of Hungary who came to the United States from Canada in 1961, has a



Zoltan J. Kiss, the president and founder of Chronar Corp., with a small clock powered by an amorphous silicon solar cell.

doctorate in physics from the University of Toronto and was a Rhodes scholar at Oxford University.

He left RCA in 1969 to found Optel Corp., one of the earliest producers of liquid crystal display technology, that by 1974 had 40 percent of the world digital watch market. As the industry moved overseas, Optel plunged into the red and, five months after Mr. Kiss resigned in 1976, was forced to file under Chapter 11 of U.S. bankruptcy law.

Although the technology was developed in the United States, not a single U.S. producer of digital watches remains. "Now that it's a multibillion-dollar business, it's all in the Far East," Mr. Kiss said.

That may be why Mr. Kiss wants his company and perhaps others to establish themselves ahead of the Japanese.

"This is the No. 1 priority industry in Japan — ahead of computers, integrated circuits, everything," he said.

## Slump, U.S. Curbs Unhinge British Steel Recovery Plan

(Continued from Page 7)

dropped 37 percent since 1972. Over the same period, consumption has fallen 7 in the United States and 18 percent in West Germany; in Italy it has risen 9 percent.

In this climate, Mr. MacGregor's arrival at BSC was expected to bring further major cuts in manpower and the closing of at least one of the major production centers. Although he continued to reduce the work force, Mr. MacGregor decided on only a small cut in manned capacity to 144 million tons, leaving all the main plants untouched in the hope that an improvement in demand would enable BSC to raise production again.

Since Mr. MacGregor's arrival, the government has agreed to pump in £880 million and write off

£3.5 billion in capital and loans. Until this year, the strategy appeared to have been successful, and BSC's figures were improving by leaps and bounds. But just when BSC seemed to have its house in order, external factors are again forcing the corporation's planners to rethink the future.

### W. German Joblessness Up

By Robert NUREMBERG, West Germany — The number of West Germans out of work was 1.65 million in June, or 6.8 percent, up slightly from 1.645 million in May, the West German labor office said Monday. The rate was 4.8 percent in June, 1981.

The average seasonally adjusted total in the first half was 1.79 million.

## Hitachi's Bright Star Loses Some of Its Shine

(Continued from Page 7)

gy," said Hisamichi Sawa, director of Bache Halsey Stuart Shields in Japan.

Hitachi has tried to ease Japan's dependence on foreign technology since Namihito Odaira founded the company in 1910 in Hitachi City, about 80 miles northeast of Tokyo. Mr. Odaira began his company as a motor repair shop to serve a nearby copper mine. According to the corporate legend, Mr. Odaira was appalled by the fact that all the mine's equipment was imported from the United States and Europe, because the operators considered Japanese equipment untrustworthy. So Mr. Odaira then began making five-horsepower electric motors and, soon thereafter, an integrated line of industrial machinery powered by electric motors.

Hitachi made its first computer in 1957, and a technical link-up with RCA, which dropped out of the computer business in 1971, gave Hitachi much of its early technology. Hitachi's commitment to the computer and semiconductor fields grew in the 1960s.

Then, apparently jolted by the Arab oil embargo, and the company's reliance on energy-consuming machinery for heavy industry, Hitachi shifted its strategic course in the mid-1970s, analysts said. It turned its focus from electric power equipment, such as generators and turbines, toward computers, semiconductors and consumer electronics.

This decision was a gamble. With heavy power equipment, the market in Japan resembles a cartel, according to analysts. Established concerns such as Hitachi and Mitsubishi Electric, which is also involved in the data secrets case, sell to companies they have dealt with for years and there is little competition between the established groups. Growth is limited, but so is risk.

"When you start betting your future, as Hitachi did, on something like semiconductors and computers, you're taking some pretty big risks," said James C. Abegglen, vice president of the Boston Consulting Group in Tokyo.

Instead of the somewhat-sequestered electrical equipment market, Hitachi was plunging into the most competitive and rapidly shifting industries in the world.

The change in direction, by most accounts, has been quite successful. Hitachi's electronics division, which includes computers and semiconductors, has been growing about 20 percent a year since 1975, on average. In the latest fiscal year, the division accounted for \$3.3 billion of the company's total sales of \$15.4 billion.

Today, only the consumer products division, with sales of \$3.5 billion in 1981, is larger.

Hitachi's profitability has also

increased steadily in recent years. In the latest fiscal year, when the recession slowed growth in many consumer and industrial markets, Hitachi's after-tax earnings rose 6 percent, to \$571 million. Its pretax profit advanced 13 percent.

The man behind Hitachi's push into computers and semiconductors has been Kazushige Mita, a 58-year-old engineer who became president last year. "It is generally recognized that Mita's brilliance and leadership made this company so successful," said David S. Phillips, a managing director of Morgan Stanley in Tokyo.

Mr. Mita is known within Hitachi as "Mr. Computer," and he rode that business to the top of the corporate hierarchy.

In 1981, Nippon Electric Co. edged out Hitachi to become the second-largest Japanese computer maker, largely on the sales strength of its personal computers. Fujitsu is Japan's leading computer manufacturer.

Some industry analysts said that Hitachi's aggressive commitment to the computer business could have been a factor that created the environment in which some of its employees were willing to pay large sums for confidential information about IBM.

Hitachi makes equipment and programming that is compatible with IBM's large systems. But IBM's introduction last October of the 3081 model group K was apparently going to make it more difficult for outside companies to supply equipment compatible with the top-of-the-line IBM system unless they could figure out the architecture of the 3081-K. Much of the IBM information that Hitachi paid for was said to have been for the 3081-K.

"Some of the Hitachi people may have become overzealous," said one analyst.

The scandal, analysts said, should not do lasting damage to Hitachi. But it is undoubtedly demoralizing to the company's employees.

"This will be big news for a while," said Mr. Phillips. "But I don't think it will fundamentally hurt Hitachi."

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## SPORTS

## Italy Shocks Brazil, 3-2; Spain Thwarts England

Compiled by Our Staff From Dispatches  
**BARCELONA** — Paolo Rossi scored three goals Monday in leading Italy to a stunning 3-2 upset victory over Brazil here that put the Italians into the World Cup semifinals and eliminated the tournament's odds-on favorites.

## WORLD CUP SOCCER

In Madrid, Spain held England to a scoreless Group B tie, advancing West Germany to the semifinals against the Group D winner, France. Italy will play Poland in Thursday's other semifinal match.

The winners will play for the championship Sunday in Madrid. For the first time since 1966, Latin America does not have a representative in the cup's final four. Italy's victory gave it a maximum four points from Group C; Brazil finished second, on two points, and deposed champion Argentina had none.

Rossi, who only recently returned to soccer following a two-year suspension for his part in a match-fixing scandal in the Italian League, redeemed himself for ineffective play in Italy's earlier cup matches by scoring in the fifth, 25th and 75th minutes.

Brazil, which needed only a tie to reach the final four, evened the score twice. Socrates scoring in the 12th minute and Falcão in the 68th. But in the final 15 minutes the Italians defended in depth.

Italy started Monday's match with attacking moves that quickly brought dividends. Rossi was unmarked when he ran to the far post to head home Antonio Cabrini's fifth-minute cross from the left.

But Rossi began to find its rhythm; seven minutes later Socrates combined with Zico before finishing the move with an angled right-footed shot past goalkeeper Dino Zoff. Brazil seemed to be in control, with its short-passing move cutting through and putting the Italian defense under pressure.

But Cerezo made an error in the 25th minute to put Italy back in front. Rossi picked up the Brazilian's lazy pass, slipped into the penalty area and beat goalie Waldir Peres with a right-footed shot.

Brazil started the second half urgently, looking for the equalizer. Its pressure was rewarded in the 68th minute when the Italian defense inexplicably backed off from Falcão and allowed the midfielder to score on a left-footed shot from medium range.

The Brazilians were then able to leave four men deep, and Italy — which needed a victory to advance — seemed up against it. But from Italy's only corner of the match, in the 75th minute, Marco Tardelli fired a shot that was gathered in by Rossi. From close range, he put the winner past Peres.

It was an unhappy day for Brazil, whose midfield and attack normally is able to make up for any lapses in the defense. But Monday

its attack was muddled, and free-kick specialist Eder could not clear the defensive wall with any of his five dead-ball attempts.

England, which to advance had to win by either two goals or by a one-goal margin in a victory of 3-2 or better, gambled by throwing nearly all its players forward in an attempt to score during Monday's final 10 minutes. Even Captain Kevin Keegan, recently recovered from a back injury, was sent in to bolster a sagging offensive line midway through the second half.

The moves were unavailing. England did not score a goal in the final four hours-plus of cup play and, against Spain, showed a lack of inventive attacking that failed to unlock a massed defense.

The 0-0 tie left England with two points in Group B, one less than West Germany, the 1954 and 1974 title-holder. England bowed out despite being unbeaten in five 1982 cup matches; it won all three first-round games but drew both second-round encounters.

Italy, having won in 1934 and 1938, has a chance to equal Brazil's record of three cup victories. Brazil, with its triumph in Sweden

in 1958, remains the only country to have won the cup outside its own continent.

Pandemonium erupted in Rome and other Italian cities after Italy's victory. Thousands of citizens descended on the center of Rome in cars, motorcycles and scooters with horns blasting and Italian tricolor flags streaming from the windows.

Virtually the whole country had been glued to television sets, enduring the fluctuations of the game.

At Rome's Trevi Fountain, several men who had been watching the game on TV in nearby bars and houses leaped fully clothed into fountain's shallow basin.

Whistles

Three policemen, posted by the fountain to keep order, blew their whistles in vain. They made radio calls for reinforcements as other fans converged on the fountain and threw themselves into the water.

Italian President Sandro Pertini, 85, on an official visit in Paris, watched the match at the Italian embassy there.

He reportedly kept leaping to his feet shouting, "Shoot! Shoot!"



Nolan Ryan, en route to the 48th shutout of his career.

## Ryan of Astros 4-Hits Dodgers for 3-0 Triumph

Compiled by Our Staff From Dispatches  
**LOS ANGELES** — Nolan Ryan pitched a four-hitter and struck out 10 as Houston defeated Los Angeles, 3-0, here Sunday. It was the 140th time in his 16-season career that Ryan has struck out 10 or more batters in a game. The victory

## BASEBALL ROUNDUP

ry was Ryan's first ever at Dodger Stadium, where he had lost his six previous decisions.

In pitching his 48th shutout lifetime and his first of 1982, Ryan (8-8) was aided by four double plays and was in trouble only once. With one out in the fourth inning, Dusty Baker and Ron Cey singled, both advanced a half before Ryan struck out Jorge Orta and Steve Garvey.

Art Howe's second-inning single off Jerry Reuss (9-6) drove in Phil Garner with the winners' first run. In the sixth, singles by Jose Cruz, Howe and Alan Kniep produced another, and the Astros' third came in the eighth on a single, a sacrifice and a throwing error by shortstop Mark Belanger.

Expos 16, Pirates 6  
 Pirates 10, Expos 4

In Pittsburgh, Mike Easler hit a double and two-run home run to help the Pirates gain a 10-4 victory and a split of a doubleheader with Montreal. In the first game, Warren Cromartie drove in five runs with a double, triple and homer and Chris Speier had four of 21 Expo hits in a 16-6 lougher.

Phillies 9, Mets 7  
 Phillies 7, Mets 2

In New York, Philadelphia took two from the Mets, 9-7 and 7-2. Ivan DeJesus drove in three runs with a triple and single and Mike Krukow pitched a nine-inning shutout. In the opener, DeJesus singled in the go-ahead run in the eighth and Steve Carlton (11-7) won his 10th game in his last 13 decisions after a 0-4 start.

Cardinals 7, Cubs 2

In St. Louis, Keith Hernandez and George Hendrick each drove in two runs to help the Cardinals down Chicago, 7-2. John Stuper (3-1) gave up six hits before relieving Bruce Sutter's last-out need help in the ninth, when the Cubs

scored on a bases-loaded walk to Larry Bowa. Sutter gained his 18th save.

Padres 4, Giants 3

In San Diego, pinch hitter Terry Kennedy hit a one-out, bases-loaded sacrifice fly in the ninth to drive in Dave Edwards and give the Padres a 4-3 victory over San Francisco.

Braves 4, Reds 1

In Atlanta, Bob Horner hit two home runs and Bob Walk and Steve Bedrosian combined on a five-hitter as the Braves beat Cincinnati, 4-1, for their fifth straight triumph. Horner, who has 16 homers this season, hit one with a man aboard in the third and one with the bases empty in the fifth.

Red Sox 4, Brewers 1

In the American League, Milwaukee's Dennis Eckersley pitched a six-hitter and Tony Ponz had two run-scoring singles to lead Boston to a 4-1 decision over the Brewers that put the Red Sox back in first place in the Eastern Division. Eckersley (9-6) walked none, struck out six and silenced Milwaukee's home run bats — the Brewers had tied a major league

record with 35 homers in their previous 15 games.

Tigers 6, Orioles 1

In Detroit, Lance Parrish and Mike Ivie both hit home runs to back the three-hit pitching of Dan Petry as the Tigers defeated Baltimore, 6-1.

Yankees 3, Indians 2

In Cleveland, Butch Wynegar's sacrifice fly scored Dave Collins to cap a two-run eighth and reliever George Frazier picked up his second victory in two days as New York downed the Indians, 3-2.

Twins 4, Blue Jays 3

In Minneapolis, Gary Gaetti hit a home run on the first pitch of the ninth to nip Toronto for Minnesota, 4-3. Gaetti's game-winning homer was the fifth hit off Dave Stieb (6-10). Reliever Jeff Little, called up from Toledo last week, was the winner.

Mariners 3, White Sox 1

In Chicago, Dave Henderson singled home two runs and Gary Gray doubled home another as Seattle defeated the White Sox, 3-1. The victory was the Mariners' fifth in six games.

## Sunday's Baseball Line Scores

| NATIONAL LEAGUE                              |                                |   |                     |
|--|--------------------------------|---|---------------------|
| First Game                                   |                                |   |                     |
| Philadelphia                                 | 130 001 022-9 13 1             | Cincinnati  | 100 000 000-1 0     |
| New York                                     | 002 010 210-2 17 0             | St. Louis   | 002 010 010-14 21 1 |
| Cardinals and St. Louis                      | 100 000 000-1 0                | B. Shriver, Harris (5), Kern (7) and Trivette                       |                     |
| and Hodges                                   | W-Corliss, 11-7, L-Price, 6-3. | Wolf, Bradenton (8) and Benedick, W-Wolf, 7-1                       |                     |
| Hrs.-Philadelphia, B.Dice (11), Schmidt (6). |                                | L-B. Shriver, 2-4. HR-Altona, Harris (2 1/2).                       |                     |
| New York, Giants.                            | 002 010 210-2 17 0             |   |                     |
| Second Game                                  |                                | AMERICAN LEAGUE   |                     |
| Philadelphia                                 | 002 000 000-1 0                | Baltimore   | 000 000 001-3 0     |
| New York                                     | 000 000 001-3 0                | Detroit   | 000 000 200-4 6     |
| Cardinals and St. Louis                      | 100 000 000-1 0                | Flanagan, T.Martinez (7), Stoddard (4) or                           |                     |
| Hodges                                       | W-Corliss, 11-7, L-Price, 6-3. | Dempsey, Nook (8), Petry and Parrish, W                             |                     |
| Hrs.-Philadelphia, B.Dice (11), Schmidt (6). |                                | Petry, L-Flanagan, 4-7. Hrs.-Detroit                                |                     |
| New York, Giants.                            | 002 010 210-2 17 0             | ivie (10), Parrish (11),  |                     |
| Cardinals and St. Louis                      | 100 000 000-1 0                | Columbian   | 000 000 000-1 0     |
| Hodges                                       | W-Corliss, 11-7, L-Price, 6-3. | Kansas City   | 002 001 000-1 2     |
| Hrs.-Philadelphia, B.Dice (11), Schmidt (6). |                                | Zahn, Allen (4), Acce (7) or  |                     |
| New York, Giants.                            | 002 010 210-2 17 0             | Armstrong (8) and Witham, W-Block, 3-2                              |                     |
| Cardinals and St. Louis                      | 100 000 000-1 0                | Zahn, 4-4. Hrs.-Columbian, Clark (12), Kansas                       |                     |
| Hodges                                       | W-Corliss, 11-7, L-Price, 6-3. | City, D.His (9).  |                     |
| Hrs.-Philadelphia, B.Dice (11), Schmidt (6). |                                | New York  | 100 000 000-1 0     |
| New York, Giants.                            | 002 010 210-2 17 0             | Cleveland   | 000 000 000-2 6     |
| Cardinals and St. Louis                      | 100 000 000-1 0                | Geldry, Frazer (7), LaRoche (8), Erickson                           |                     |
| Hodges                                       | W-Corliss, 11-7, L-Price, 6-3. | and Armstrong, Denny, Giffin (8), Whitlow                           |                     |
| Hrs.-Philadelphia, B.Dice (11), Schmidt (6). |                                | and Bonds, W-Frazier, 3-1. L-Denny 5-7                              |                     |
| New York, Giants.                            | 002 010 210-2 17 0             | Seattle   | 200 000 000-1 9     |
| Cardinals and St. Louis                      | 100 000 000-1 0                | Portland  | 000 010 000-1 9     |
| Hodges                                       | W-Corliss, 11-7, L-Price, 6-3. | P. Bannister, Vande Bate and Anderson (5)                           |                     |
| Hrs.-Philadelphia, B.Dice (11), Schmidt (6). |                                | Caulliff (9) or Billings, Doherty, Bannister (8) or                 |                     |
| New York, Giants.                            | 002 010 210-2 17 0             | Flak, W-P. Bannister, 3-4. L-Doherty, 3-6                           |                     |
| Cardinals and St. Louis                      | 100 000 000-1 0                | Toronto   | 002 000 000-1 0     |
| Hodges                                       | W-Corliss, 11-7, L-Price, 6-3. | St. Louis   | 000 000 000-1 0     |
| Hrs.-Philadelphia, B.Dice (11), Schmidt (6). |                                | Silb and S.Martinez, Whit (9) or                                    |                     |
| New York, Giants.                            | 002 010 210-2 17 0             | Silb and S.Martinez (11) or Butera, W-Little, 4-1                   |                     |
| Cardinals and St. Louis                      | 100 000 000-1 0                | and Bonds, 4-10. Hrs.-Baltimore, 1-0.                               |                     |
| Hodges                                       | W-Corliss, 11-7, L-Price, 6-3. | R.Davis (12), Minnesota, Ward (12), Gough                           |                     |
| Hrs.-Philadelphia, B.Dice (11), Schmidt (6). |                                | 10-0.   |                     |
| New York, Giants.                            | 002 010 210-2 17 0             | Boston  | 002 010 000-10 12   |
| Cardinals and St. Louis                      | 100 000 000-1 0                | Richmond  | 000 000 000-1 0     |
| Hodges                                       | W-Corliss, 11-7, L-Price, 6-3. | Eckersley and Allentown, Caldwell, Berna                            |                     |
| Hrs.-Philadelphia, B.Dice (11), Schmidt (6). |                                | rd (7) and Simmons, W-Eckersley, 7-4.                               |                     |
| New York, Giants.                            | 002 010 210-2 17 0             | Caldwell, 5-4.  |                     |
| Cardinals and St. Louis                      | 100 000 000-1 0                | Oakland   | 113 000 000-11 10   |
| Hodges                                       | W-Corliss, 11-7, L-Price, 6-3. | Medich, Schmidt (7) and Sanderson, Kansas                           |                     |
| Hrs.-Philadelphia, B.Dice (11), Schmidt (6). |                                | City, D.His (9), S.Martinez, 1-0.                                   |                     |
| New York, Giants.                            | 002 010 210-2 17 0             | Andrick, 6-7. L-Kanewski, 7-11. Hrs.-Oakland                        |                     |
| Cardinals and St. Louis                      | 100 000 000-1 0                | R.Henderson (7), Texas, L.Horton (15), Parrish (14), Sanderson (5). |                     |
| Hodges                                       | W-Corliss, 11-7, L-Price, 6-3. |   |                     |



